

## **EIPC Stakeholder Steering Committee**

### **Purpose and Principles**

The following proposal for the formation and selection of the Eastern Interconnection Planning Collaborative (EIPC) Stakeholder Steering Committee (SSC) is put forward for consideration by the U.S. Department of Energy (“DOE”). The 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.

This document starts with the EIPC straw proposal that was posted immediately before the April 22-23, 2010 stakeholder meeting and includes modifications to reflect elements of the various proposals and comments received during the weeks following the meeting. The modifications that have been included are consistent with the guidance received from DOE and the provisions in the EIPC proposal.

The proposal was developed with these guiding principles in mind:

- The stakeholder process should be inclusive, that is, the interests of all relevant stakeholders should be represented within a sector. A relevant stakeholder is one that has an 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.<sup>1</sup>
- The number of seats on the SSC should be a manageable size and allows decisions to be made through consensus.
- The SSC should maintain a balance in the representation of the six sectors (Transmission Owners and Developers, Generation Owners and Developers, Transmission-dependent utilities (TDUs), Public Power, & Coops, NGOs, End Users, and Other Suppliers).
- 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 ongoing communication between SSC members and their interest group sectors.

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<sup>1</sup> 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.

**Stakeholder Sectors and Seats on the SSC:**

<b><u>Sectors and Seats</u></b>
○ (3) Transmission Owners and Developers
○ (3) Generation Owners and Developers (minimum 1 renewable, minimum 1 non-renewable)
○ (3) Other Suppliers (e.g. Power Marketers, Energy Storage, Distributed Generation, minimum 1 Demand-side Resources representative)
○ (3) Transmission-dependent utilities (TDUs), Public Power, & Coops (e.g. Municipal utilities, Rural Co-ops, Power Authorities, minimum 1 public power or co-op TDU representative)
○ (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 chosen by EISPC
○ (1) Canadian Provincial representative
○ Ex Officio Members: U.S. DOE, U.S. EPA
<b>TOTAL: 29 members</b>

- Transmission Owners and Developers Sector Eligibility Requirements – Entities shall be eligible to participate in the Transmission Owners and Developers Sector and Transmission Owners and Developers Caucus if:
  - A. The entity owns and controls at least \$6 million (net book value) of transmission assets at 100 kV or above, or
  - B. The entity has:
    - a transmission project proposal at or above 100 kV that is pending in the authorized interconnection queue for the region or is included in the regional transmission expansion plan for the region, and
    - a related transmission tariff approved or pending before FERC, or has related status as a public utility in a state or has a siting application pending before relevant state public utility commissions.
  - C. All eligible entities will be entitled to full participation in the sector caucuses and nomination and election processes. Sector representatives selected for participation in the steering committee will represent the entire sector.
- In selecting or choosing the members for each sector of the SSC, organizations, companies and their affiliates may vote only once. “Affiliates” will be liberally

construed and will include any ownership in joint ventures, LLC's and holding companies.

- 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.

### **Stakeholder Steering Committee Selection Process:**

The process for selecting SSC 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 3 members to the interconnection-wide caucus.
- Caucus members from all regions would gather or use the online process hosted by EIPC (27 each sector) to select the SSC members.
- Recognizing the request from renewable and demand-side resources representatives, the following special procedures for election of regional Sector Caucus representatives and SSC members would be used for their sectors.
  - For the Generation Owners and Developers sector, the voting shall be as follows. Sector Caucus representatives must designate themselves as renewable or non-renewable representatives. The renewable representatives shall vote for the renewable caucus representative and SSC member. The non-renewable representatives shall vote for the non-renewable caucus representative and SSC member. Both the renewable and non-renewable representatives shall vote for the third caucus representative and SSC member from the Generation Owners and Developers sector.
  - For the Other Supplier sector, the voting shall be as follows. Sector Caucus representatives must designate themselves as demand-side resource representatives or non-demand-side resource representatives. The demand-side resource representatives shall vote for the demand-side caucus representative and SSC member. The non-demand-side resource representatives shall vote for one other supplier caucus representative and SSC member. Both the demand-side and non-demand-side representatives shall vote for the third caucus representative and SSC member from the Other Supplies sector.
- In all sector and sub-sector elections for SSC members, the individual with the highest number of votes will become the SSC member.
- The EISPC would appoint the state representatives to the SSC in accordance with EISPC procedures.
- The Sector Caucus members should select SSC members from within their ranks, unless there is a consensus among them to accept additional nominations.

- 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.
- Employees, consultants or other representatives of a company or organization (or its affiliates or holding company) are not eligible to serve on more than one seat on the SSC.
- Except as to the process for choosing EISPC representatives or as otherwise provided herein, all voting for SSC representatives from a given sector shall occur at the interconnection-wide caucus of that sector . The Sector Caucus as a whole shall select its SSC representatives subject to the requirements for designated seats set forth above. The Sector Caucus may utilize either an interconnection-wide meeting or the on-line voting process provided by EIPC in choosing its SSC members.

### **Caucus Nomination Process:**

There are two processes for choosing representatives to an interconnection-wide sector caucus. The Regional Nomination Process provides for 3 nominees to be selected from each sector within each region (as the regions are defined herein). This process is intended to ensure regional representation at the interconnection-wide caucus of that sector and allow for selection processes to occur in each region. A second process is available for the End User and NGO sectors given the inherent resource limitations on this sector actively participating to the same degree as other sectors in the regional Order 890 processes. The procedures and rules governing the selection of nominees under the Regional Process and the End User and NGO Nomination Process are set forth below. As noted above, under both processes, the selection of members of the SSC is to occur through an interconnection-wide caucus pursuant to the voting rules above. Notification of meetings and opportunities for individuals to indicate their interest in being nominated to serve as a caucus representative or SSC member shall be provided to EIPC in advance and posted on the EIPC website.<sup>2</sup>

The Regional Nomination Process will be governed by the following rules:

- Caucus representatives shall be chosen by each region as those regions are defined herein through the Order 890 approved regional process.
- For sectors where a minimum number of SSC members must come from a part of the sector membership (a “sub-sector” e.g. minimum 1 renewable in the Generation Owners and Developers sector), the 3 nominees must reflect the same sub-sector balance of membership as described for the SSC.
- Within each region, no organization or individuals from that organization can participate in more than one sector nomination process. Representatives of entities who are market participants or represent end users in more than one region may be represented in caucuses of multiple regions in which they do business if so chosen by the sector representatives in that region.

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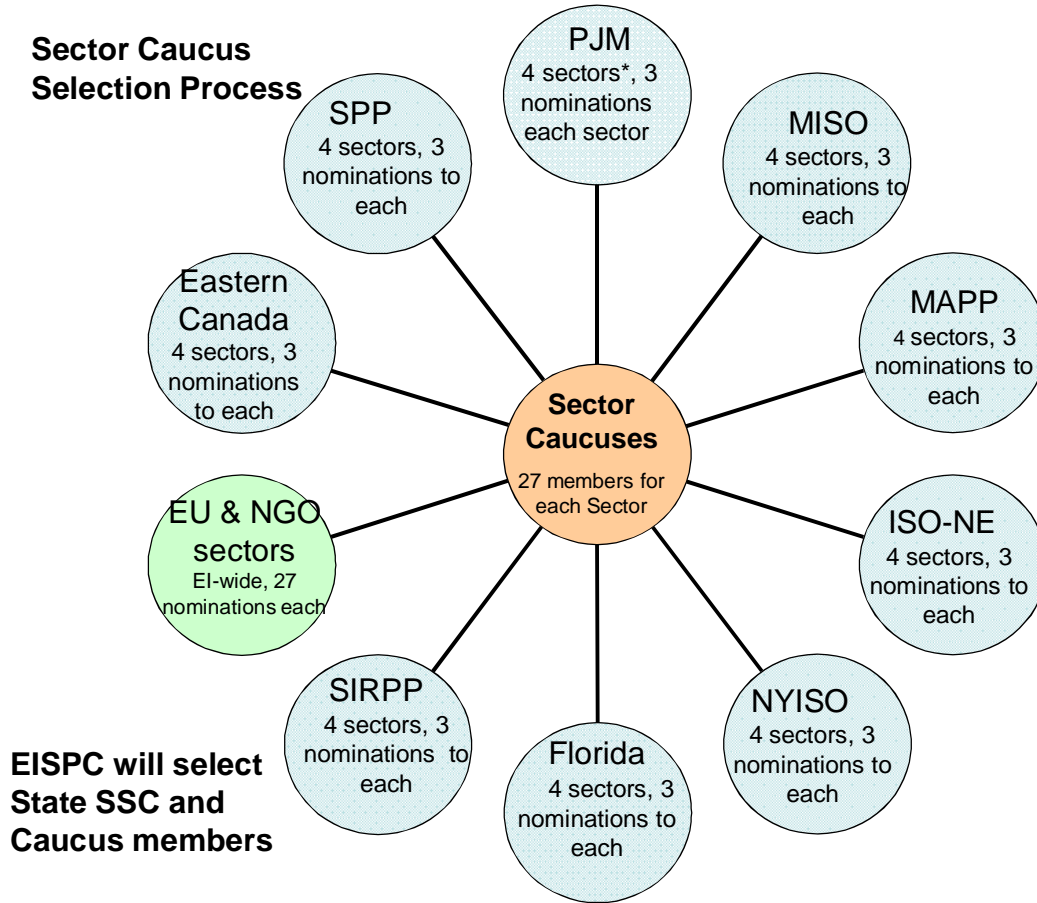
<sup>2</sup> The rules set forth above with regard to populating the sector caucuses and the sector’s SSC seats, does not apply to EISPC.

- The regional process may use an on-line mechanism, in-person meeting or virtual meeting. Each region shall arrange with EIPC the public posting of the means (e.g. use of an on-line mechanism, in-person meeting, or virtual meeting) to be used.
- Each sector should strive to achieve diversity by including as many interests and regions as possible 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 cannot vote in caucus nomination processes as trade organizations, but may be selected by the sector members as caucus members and SSC members.
- EIPC may consult with DOE to ensure that the process complies with the FOA.

The End User and NGO Selection Process will be governed by the following rules:

- As an alternative to the regional process for populating the interconnection-wide sector caucuses, the NGO and End User sectors may choose to nominate caucus representatives through an interconnection-wide process.
- A sector choosing this approach may nominate their caucus representatives through either: (1) an interconnection-wide meeting or conference call which is noticed on the EIPC website; or (2) through use of the on-line voting process provide by the EIPC. These sectors shall notify EIPC ten (10) business days prior to the commencement of the Order 890 regional selection processes of their intention to use the interconnection-wide process and shall arrange with EIPC the public posting of the means (e.g. interconnection-wide meeting, conference call, or EIPC provided on-line voting process) by which qualifying individuals may seek to serve on the SSC as representatives from that sector.
- For the End User sector, the caucus representatives chosen through the alternative process must reflect the same sub-sector balance of membership as described for the SSC (i.e. 1/3 must be from the state consumer advocate agency group).
- EIPC may consult with DOE to ensure that the process complies with the FOA.

Below is a graphical representation of the Sector Caucus nomination process.<sup>3</sup>



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**\*There are 8 Sectors:**

- **4 Sectors will be chosen through the Regional process:** Transmission Owners & Developers, Generation Owners & Developers, Other Suppliers, and TDUs, Public Power and Coops.. The NGO Sector and the End Use Sector may select caucus members through an interconnection-wide process.
- State representatives to the SSC will be determined by the EISPC.
- Canadian provincial representatives will be selected by the Eastern Canadian provincial governments.

<sup>3</sup> 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.

### **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 will 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 as core members.
- 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.

In addition:

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

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 EIPC intends 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. The EIPC will not go forward with macro scenario analysis and the analysis of detailed transmission expansion alternatives without the strategic guidance of the SSC as provided in the attached “SSC Purpose, Roles, Responsibilities and Decision-Making Protocols” document.



## **EIPC Stakeholder Steering Committee (SSC)**

### **Purpose, Roles, Responsibilities and Decision-Making Protocols**

#### **I. 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.”<sup>4</sup> 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 and reports by the EIPC.

#### **II. CRITERIA FOR SSC MEMBER SELECTION**

The criteria for becoming a candidate include the following:

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

#### **III. ROLES AND RESPONSIBILITIES OF THE SSC**

**The primary responsibilities of the SSC include:**

- A.** Approve the SSC Working Charter.
- B.** Represent the viewpoints and interests of multiple organizations within their sector and meet regularly with their Sector Caucus Representatives.
- C.** Make every effort to arrive at SSC decisions through consensus. Determine an alternative decision-making process should efforts to reach consensus fail.
- D.** 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.
- E.** 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

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<sup>4</sup> DOE FOA 0000068, pg. 6.

- accessibility. All agendas, relevant documents, and work products will be posted on the EIPC website.
- F. 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.
  - G. Develop a process for how the SSC will collect input from stakeholders.
  - H. Establish and appoint individuals to the Stakeholder Work Groups (SWGs) that reflect balanced stakeholder participation.
  - I. Develop roles and responsibilities and deliverables for the various Stakeholder Working Groups formed.
  - J. 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.
  - K. Provide information to all stakeholders on macro scenarios, resource futures, and related sensitivities.
  - L. 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)<sup>5</sup> and related sensitivities to be submitted for macroeconomic analysis and high level transmission analysis consistent with DOE-approved schedules.
  - M. Develop criteria to determine the selection of the three (3) future scenarios (as outlined in EIPC's revised DOE proposal).
  - N. 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).
  - O. Determine how the SSC will interact with Eastern Interconnection States Planning Council (EISPC)
  - P. Review the analyses and reports of the EIPC Analysis Team and provide consensus input.
  - Q. Request help and information from EIPC Analysis Team as needed to fully understand the tools and analyses.
  - R. Work with EIPC Analysis Team to establish communication protocols between the two groups.

#### **IV. DECISION MAKING PROTOCOLS:**

##### **A. Consensus Decision Making**

The SSC will make decisions based on consensus. Consensus will be defined as none of the 29 members objecting to a proposal moving forward. Unanimity and

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<sup>5</sup> The revised proposal can be downloaded at [http://eipconline.com/document\\_library.php](http://eipconline.com/document_library.php)

complete agreement are not required to achieve consensus – consensus means that all the parties can live with a particular decision and the ultimate outcomes of the SSC process. While adhering to the definition of consensus set forth in this section, the SSC may further define consensus in the context of a particular proposal to be decided by the SSC. In the event consensus cannot be reached, the SSC may need to develop additional procedures to reach a conclusion. Attached below, is a separate document that reflects a statement for the record of the discussion on this topic held during the discussion of formation of the SSC

**B. EISPC Role in Defining Modeling:**

EISPC is recognized by all SSC members as reserving the right to define four of eight macroeconomic analyses and one of the final three build-outs in accordance with the following:

- i. EISPC will work in good faith with the SSC, through the process it creates, to define eight macroeconomic analyses, four of which will be designed to meet EISPC's requirements, and define three build-outs, one of which will be designed to meet EISPC's requirements. As the SSC process draws to conclusion, the EISPC may, at its sole discretion, modify the four state macro analyses, and the one state build-out, to better meet EISPC requirements, but shall provide advanced notice and explanation of the required changes to the SSC before final decisions on the eight macroeconomic analyses and three build-outs are made.
- ii. However, regardless of the timing of the process, EISPC is assured of at least four macro analyses, and one build out scenario that meets EISPC requirements.

**V. TABLE ARRANGEMENTS AND MEETING PARTICIPATION:**

- A.** The SSC will initially utilize the following table arrangements and meeting rules:
- i. Each sector shall have a round table at the SSC meeting that would accommodate 10 seats ("Sector Tables").
  - ii. These Sector Tables will be arranged in a large circle. There will be additional seating elsewhere in the room for others to sit.<sup>6</sup>
  - iii. Each sector shall determine who will sit at its Sector Table. For example, the TO Sector has stated that it will have ten regional representatives sitting at its table from the following regions: ISO-NE, NYISO, SPP, SIRPP, Florida, MAPP, PJM (2), MISO (2). Other sectors may choose to have only their SSC members sitting at their Sector Tables. Participation at the tables should reflect regional balance where regional differences, in the opinion of that sector's participants, may be relevant to the SSC's deliberations. Regional representatives at a table for a given sector may

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<sup>6</sup> These provisions governing the shape and arrangement of tables shall be followed by those arranging meeting rooms to the maximum extent possible. Flexibility is provided to permit deviations from these arrangements if necessary to meet space and budget limitations so long as the intent of these provisions is met as to any alternative meeting arrangement and the SSC members are so notified in advance.

assign their seat to a region-wide organization with the voting role of such entities to be decided by the table representatives.<sup>7</sup> Such assignment may be made on a meeting-by-meeting basis or on a continuing-until-further-notice basis.

- iv. The SSC members for these sectors will be chosen by the respective 27-member interconnection-wide caucuses described above voting as a whole, except as otherwise provided herein.
- B.** The SSC shall, as part of its procedures, develop procedures to semiannually review the effectiveness of its meeting format after taking comments from all stakeholders. The above procedures shall remain in effect for at least six (6) months. If at that time a change is desired by one or more sectors of the SSC, those sectors are required to offer an alternative approach that ensures regional representation, openness and the ability of non-SSC members to be heard. Any such proposal shall need the approval of 19 members of the SSC. If such approval is not obtained, the above procedures shall continue in effect. At all times, the SSC shall work with the EIPC to ensure that meetings are run in a way that ensures openness, transparency, consensus building and timely decision-making. Facilitation will be provided consistent with budget limitations to ensure such outcomes.
- C.** NGOs and state consumer advocate offices shall be reimbursed for travel costs and expenses for its SSC members and Sector Table members (up to 6 persons for the NGOs and up to 2 persons for state consumer advocate offices).
- D.** Each sector, acting through its interconnection-wide caucus, will designate two members who will be primary contacts and who will be SSC members for at least one year. The sector may, acting through its interconnection-wide caucus initially and as needed thereafter, designate different people to serve as its other SSC member for each meeting, or may designate all SSC members for longer periods, at its option. Such appointments shall follow the SSC selection process set forth in the EIPC proposal.
- E.** **OPEN DISCUSSION PERIOD:** Each meeting will include a time-limited open comment period, during which non-SSC members may speak on the issues listed on the meeting's agenda. The non-SSC members sitting at Sector Tables will have the first opportunity to speak during the Open Discussion Period. After that, other non-SSC members will be able to speak during the open discussion period.<sup>8</sup>
- F.** **SSC MEMBER DISCUSSION:** After this open comment period, the 29 members of the SSC will lead the discussion at the SSC meeting. All 29 members should have equal opportunity to speak at the meetings. Breaks will be provided throughout SSC meetings to ensure non-SSC members have the opportunity to talk with their or other sector representatives.

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<sup>7</sup> For example, a New England generation or end use representative may choose to assign his or her seat to a NEPOOL representative if such assignment were approved by the sector's caucus. The decision-making role of the NEPOOL representative within that sector, if any, would be determined by the other participants in the sector.

<sup>8</sup> Details on this provision, as well as V.F, VI.A, and VI.B, will be determined by the SSC after its formation.

**VI. AGENDAS:**

- A.** Agendas will be provided in advance of the SSC meetings and posted on the EIPC website. The SSC will set requirements for advance agenda notices that provide adequate time for sectors to have discussions on agenda items in advance of the meeting.
- B.** While any non-member of a sector may suggest agenda items, the final agenda will be established by the SSC in consultation with EIPC.

## Statement for the Record on SSC Decision Making Discussions

In reaching their decision to support the proposal for the formation of the SSC, various stakeholders have relied upon the following points of agreement as part of the discussion on SSC decision making:

- A.** The SSC shall make decisions based on consensus. Consensus is defined as follows:
- B.** It is a strong goal of the SSC to reach agreements to which none of the 29 members object.
- C.** After significant discussion and debate, if at least 19 (66%) of the members decide that it is impossible to reach an agreement where no one objects *to the proposal moving forward*, then the SSC will strive to reach an agreement that is supported by at least, 23 (79%) members.
- D.** Each sector will define for itself how its members will take positions in the SSC consensus process. For instance, a sector could decide that it only needs a simple majority of its participants to establish a position for that sector. In contrast, a sector could decide that it needs unanimity to establish its sector's position.
- E.** Each sector will have the opportunity to caucus in real-time to establish its position on the issue at hand.