

APPENDIX 2D

NOTICE OF PROPOSED AMENDMENT TO THE MARKET RULES (Re Transmission Planning Process)

Original notice available at

[www.nbso.ca/Public/_private/Notice%20of%20Proposed%20Amendments%20to%20Market%20Rules%20\(June%2010,%202010\).pdf](http://www.nbso.ca/Public/_private/Notice%20of%20Proposed%20Amendments%20to%20Market%20Rules%20(June%2010,%202010).pdf)

Transcription of notice is given below.

June 10, 2010

In accordance with the New Brunswick Electricity Market Rules, Chapter 3, Appendix 3B (Market Rule Amendment Process), s. 3B.2 (Initiation), notice is hereby given of proposed amendments to the Market Rules. The proposed amendments are intended to provide a clear statement of the principles that apply to the Transmission Planning Process.

FERC Order 890 "Preventing Discrimination and Preference in Transmission Service" was issued on February 16, 2007. The Order is mandatory for FERC jurisdictional utilities and System Operators. FERC Order 890 requires that the Transmission Planning process meet nine principles:

1. coordination
2. openness
3. transparency
4. information exchange,
5. dispute resolution
6. comparability
7. regional participation
8. accounting for economic as well as reliability considerations
9. cost allocation

Explicitly adopting these principles is consistent with NBSO's mandate to facilitate a competitive market and the statement in the New Brunswick Energy policy White Paper,

“In order to participate and continue to capture the benefits of a competitive market, New Brunswick must operate by rules and procedures compatible with those established by FERC.”

Currently the Market Rules, Chapter 9 (Transmission System Planning Investment and Operations), and applicable Market Procedures, demonstrates these principles are followed in New Brunswick. The NBSO believes that the following amendments to Chapter 9 are required to make a clear statement of these principles.

Proposed Amendments:

1.0 Section 9.0 (Introduction) is amended by the addition of the following section 9.0.1 d):

9.0.1 d) “the manner in which the SO will incorporate the principles of coordination, openness, transparency, exchange of information on a comparable basis, meeting needs on a comparable basis, dispute resolution, regional participation, accounting for economic, as well as reliability considerations and principles of cost allocation”

2.0 Section 9.1 is amended by deleting the current title “System Operator and Transmitter Responsibilities” and substituting therefore “Responsibilities”, and by the addition of the following section 9.1.3:

9.1.3 Market Participants shall provide to the SO the data and information as specified in the applicable Market Procedure, in accordance with section 5.3.2 of the Market Rules.

3.0 Section 9.2 “Long-term Integrated Electricity System Development Plan” is amended by the addition of the following sections 9.2.7, 9.2.8 and 9.2.9:

9.2.7 The SO must develop baseline plans in a coordinated and open manner with transmission customers, market participants and interconnected neighbours. After considering the data and comments supplied by customers and other stakeholders, the SO shall develop a transmission system plan that meets the specific service requests of its transmission customers and otherwise treats similarly-situated customers (e.g., network and retail native load) comparably in transmission system planning.

Transmission Planning meetings will be open to all interested parties, including but not limited to all transmission and interconnection customers, government authorities, and other stakeholders. The process by which Transmission Planning meetings will be conducted shall be included in a Market Procedure. The Market Procedure will reflect the following:

- a. who the participants will be in the planning process, including expected participants for any groups or committees used,
- b. the composition of any committees or groups used in the planning process. All parties interested in the planning process shall be allowed to participate,
- c. the sharing and reviewing of planning-related data and analysis. The sharing and review of information should commence early in the process and be ongoing, rather than commencing only after the transmission provider has prepared a final draft plan without stakeholder input,
- d. the criteria to be used to identify confidential data, and the eligibility criteria and process for obtaining access to such data.

9.2.8 The SO will reduce to writing and make available the basic methodology, criteria, and processes used to develop transmission plans, including the treatment of retail native loads, in order to ensure that standards are consistently applied. To that end, the SO will describe, in its published annual 10 Year Outlook, the methods, criteria, assumptions and data that underlie the transmission system plans. The description will include:

- a. the transmission planning cycle and important milestones in the cycle (e.g., timelines/dates for data exchange, studies, presentation of studies to transmission customers, *etc*)
- b. the transmission planning methodology, protocols and tools used to develop transmission plans.
- c. a description of the procedure for sharing information regarding the status of upgrades identified in the transmission plan.

The SO will post information regarding the status of upgrades identified in the transmission plan. The status of identified upgrades or alternatives will be reflected in future plan development (i.e., whether the upgrade or alternative is in-service, under construction, planned or proposed).