Date: January 13, 2009
To: ERCOT Board of Directors
From: Dan Woodfin, Director, System Planning
Subject: Revised ERCOT Regional Planning Group Charter and Procedures

Issue for the ERCOT Board of Directors

ERCOT Board of Directors Meeting Date: January 20, 2009
Agenda Item No.: 10

Issue:
Whether to approve a revised ERCOT Regional Planning Group Charter and Procedures.

Background/History:
The ERCOT Regional Planning Group Charter and Procedures (Planning Charter) is the document that defines the procedural basis and division of responsibilities for system planning activities in the ERCOT region, as well as defining the types of transmission projects that are brought before the ERCOT Board of Directors for endorsement.

The original Planning Charter was submitted to the Board in October 2003. In mid-2007, the Regional Planning Group (RPG) began developing revisions to the Planning Charter to reflect experience with these procedures and to incorporate additional coordinated planning activities that had arisen since 2003.

Attachment A provides the revised Planning Charter that is the consensus of ERCOT Staff and the RPG. TAC voted to recommend approval of this revised Planning Charter by the Board at the December 4, 2008 meeting.

Key Factors Influencing Issue:
This revision would:

- Combine the three Regional Planning Groups covering different parts of ERCOT into into a single RPG;
- Formalize the coordinated Five-year Transmission Plan development process and provides for expedited review of projects that are included in that plan;
- Document the economic planning process and criteria endorsed by TAC in 2006;
- Eliminate detailed requirements already included in other binding documents (Protocols, Operating Guides, NERC Standards, etc.).; and
- Categorize projects into four project "tiers" and define the type and level of ERCOT review for each tier, as illustrated in the flowchart below:

Alternatives:
Remand to ERCOT Staff with specific instructions on how to proceed.

Conclusion/Recommendation:
ERCOT Staff respectfully recommends approval of the Planning Charter as attached.

ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.
BOARD OF DIRECTORS RESOLUTION

WHEREAS, the Electric Reliability Council of Texas, Inc. (ERCOT) Regional Planning Group Charter and Procedures (Planning Charter) is the document that defines the procedural basis and division of responsibilities for system planning activities in the ERCOT region, as well as defining the types of transmission projects that are brought before the ERCOT Board of Directors for endorsement;

WHEREAS, the original Planning Charter was submitted to the Board in October 2003; and in mid-2007, the Regional Planning Group (RPG) began developing revisions to the Planning Charter to reflect experience with these procedures and to incorporate additional coordinated planning activities that had arisen since 2003;

WHEREAS, Attachment A provides the revised Planning Charter that is the consensus of ERCOT Staff and the RPG; and TAC voted to recommend approval of this revised Planning Charter by the Board at the December, 4, 2008 meeting;

WHEREAS, having considered the ERCOT Staff's recommendation, the Board deems it desirable and in the best interest of ERCOT to adopt the Planning Charter with changes as noted in Attachment A;

THEREFORE, BE IT RESOLVED, that the ERCOT Regional Planning Group Charter and Procedures attached as Exhibit A to this Resolution is adopted with changes as noted.

CORPORATE SECRETARY'S CERTIFICATE

I, Michael G. Grable, Corporate Secretary of ERCOT, do hereby certify that, at its January 20, 2009 meeting, the ERCOT Board of Directors passed a motion approving the above Resolution by _____.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of _____, 2009.

_____
Michael G. Grable
Corporate Secretary