RAILBELT TRANSMISSION ORGANIZATION (RTO)
GOVERNANCE COMMITTEE
MEETING AGENDA
September 25, 2026, 12:00 PM
MEMBERS OF THE PUBLIC participate by dialing:
(907) 621-6701, Conf Code 208 458 319#

1. CALL TO ORDER
2. ROLL CALL (for Committee members)
3. PUBLIC ROLL CALL (for all others present)
4. AGENDA APPROVAL
5. PUBLIC COMMENTS
6. APPROVAL OF THE MEETING MINUTES – August 14, 2026
7. OLD BUSINESS
   - A. Open Access Transmission Tariff, RCA Docket U-25-028
   - B. Technical Subcommittee Update
   - C. Tariff Subcommittee Update
   - D. Finance Subcommittee Update
8. NEW BUSINESS
   - A. Business Practice – Ancillary Services
9. EXECUTIVE SESSION – (Bylaws Section 5.12.3) To discuss matters, the immediate knowledge of which could have an adverse effect on the finances or legal position of the RTO, the Committee, or its members, or that are confidential under state, federal, or local law.
10. MEMBER COMMENTS
11. NEXT MEETING DATE – TBD
12. ADJOURNMENT

RAILBELT TRANSMISSION ORGANIZATION (RTO)
GOVERNANCE COMMITTEE
MEETING MINUTES
August 14, 2026

1. CALL TO ORDER

Chair Million, GVEA, called the Railbelt Transmission Organization Governance Committee meeting to order at 10:00 a.m. A quorum was established.

2. ROLL CALL (for Committee members)

Curtis Thayer (Alaska Energy Authority [AEA]); Arthur Miller (Chugach Electric Association [CEA]); Sarah Lambe (Homer Electric Association [HEA]); Tony Izzo (Matanuska Electric Association [MEA]); Travis Million (Golden Valley Electric Association [GVEA]); Brian Hickey [City of Seward]); Ed Jenkin (Railbelt Reliability Council [RRC]).

3. PUBLIC ROLL CALL (for all others present)

Jennifer Bertolini (AEA); Karen Bell (AEA); Bill Price (AEA); Mark Billingsley (AEA), Vienna Vaden (AEA); Matt Clarkson (CEA); Jessica Spuhler (HEA); Jon Sinclair (MEA); Daniel Heckman (GVEA); Tina Grovier (Stoel Rives, RTO); Carl Monroe (Munro Advisors, LLC); Andrew Jensen (Governor's Office).

4. AGENDA APPROVAL

MOTION: A motion was made by Mr. Hickey to approve the agenda as presented. Motion seconded by Mr. Thayer.

A roll call vote was taken, and the motion to approve the agenda passed unanimously.

5. PUBLIC COMMENTS

There were no public comments.

6. APPROVAL OF THE MEETING MINUTES – July 24, 2026

MOTION: A motion was made by Mr. Thayer to approve July 24, 2026, meeting minutes as presented. Motion seconded by Mr. Miller.

A roll call vote was taken, and the motion to approve July 24, 2026, minutes passed unanimously.

7. OLD BUSINESS

A. Open Access Transmission Tariff, RCA Docket U-25-028

Tina Grovier, Stoel Rives, reported there have been no substantive orders or filings in the docket since the last meeting.

Ms. Grovier said there are matters related to draft business practices, RFPs, and next steps related to the OATT to discuss in executive session, the immediate knowledge of which could have an adverse effect on the legal and financial position of the RTO or the Committee members, or that are protected by or confidential under state, federal, and local law.

B. Technical Subcommittee Update

Jon Sinclair, MEA, said the Technical Subcommittee continues to work through business practices and has one for consideration today, Extended Interruptions. The Technical Subcommittee has also been reviewing the local regional allocator RFP and considering conversions that meet the state procurement guidelines.

C. Tariff Subcommittee Update

Daniel Heckman, GVEA, said the Tariff Subcommittee has not met since the last Governance Committee meeting, but continues to work on the draft Confidential Information business practice. The subcommittee also is anticipating being very busy with compliance after September 2nd , when the Regulatory Commission of Alaska's final order is expected.

D. Finance Subcommittee Update

Karen Bell, AEA, said the Finance Subcommittee continues to meet weekly to make progress on business practices. The subcommittee is currently reviewing the cost-of-service billing practice along with the Tariff Subcommittee. The subcommittee is also reviewing the scope of work for the cost of capital study, and planning to finalize the scope after the final order in U-25-028 is issued.

Ms. Bell also noted that she will present later today on a policy and business practice related to the RTO budget process. She explained the policy focuses on the process to develop an annual budget and any budget amendments; the business practice focuses on how the budget is used to calculate a Tariff Administration Service charge under Schedule 1A.

8. NEW BUSINESS

A. Business Practice and Policy Presentation

i. Budget Policy

Karen Bell stated that the proposed RTO Budget Policy establishes the process for adopting and revising the annual budget to ensure transparency, compliance, and timely cash flow. She explained that the RTO bylaws set the budget approval requirements, and RTO Resolution No. 25-01 assigns the Finance Subcommittee responsibility for recommending budgets and budget amendments to the Governance Committee. The policy follows the bylaws' annual budget timeline, requiring Governance Committee approval 90 days before the start of the fiscal year, which is in early April. Ms. Bell noted that the policy also defines the budget scope, including AEA administrative costs related to the RTO, contractual costs, legal and subject matter expert expenses, Governance Committee costs such as food and transcription, and regulatory or compliance-related costs that may result from an RCA order. The Governance Committee will consider the budget based on the Finance Subcommittee's recommendation. Budget amendments would be presented if a deficit or surplus is anticipated. The policy also provides for regular budget-to-actual reporting to the RTO Governance Committee.

i. Budget Process Business Practice

Ms. Bell introduced the proposed Budget Process Business Practice for the Tariff Administration Service charge, explaining that it is tied to Schedule 1A of the RTO's proposed tariff. She stated that the charge is intended to cover the actual costs of administering the tariff. To support this process, the RTO would reconcile the budget to actual costs each fiscal year. If a budget deficit occurs during the year, the RTO would seek Governance Committee approval for a budget amendment and, because the charge is tariff-based, would submit a tariff advice filing to the RCA for approval of any change to the charge. Ms. Bell noted that the filing could be subject to RCA investigation. If a budget surplus occurs, the RTO would reconcile budget to actual costs at year-end and reduce the following year's rate by the surplus amount. She further explained that all Tariff Administration Service charges require RCA approval and that the RTO would follow Business Practice 101 for tariff filing submissions.

ii. Extended Interruptions Business Practice

Jon Sinclair, MEA, presented the proposed Extended Interruptions Business Practice, explaining that extended interruptions are part of the tariff as required by statute. He stated that when a portion of the Backbone Transmission System is isolated for more than 24 hours, that portion is treated as local rather than regional for allocation purposes. Mr. Sinclair explained that the business practice outlines the reporting requirements for extended interruptions and the calculation methods used to determine the percentage of isolated load, the duration of the interruption, and the resulting adjustments to the annual transmission revenue requirement and cost-of-service allocation. He reviewed an illustrative calculation showing the standard allocation process and how that process changes when an extended interruption occurs. He noted that the calculations are performed for each interruption and each affected utility, with isolated load allocated locally and the remaining costs reallocated between regional and local percentages using a normalized 12-coincident peak calculation. Mr. Sinclair stated that short interruptions would generally have a minimal cost-of-service impact; however, longer interruptions, such as an outage lasting several days or a month, could result in a more significant allocation shift for the affected utility. He concluded that the business practice provides the methodology to ensure costs associated with isolated load during an extended interruption are assigned locally.

Ms. Lambe asked for confirmation that, although the calculation would be completed monthly it would be done on an interruption by interruption basis.

Mr. Sinclair confirmed it would be calculated by interruption because it must account for the time for the interruption and how much load was in the interruption. He said it would be done per interruption and then summed.

Chair Million thanked Mr. Sinclair and Ms. Bell for the presentations on the Budget Policy and Business Practices. He asked for a motion to approve the Budget Policy.

MOTION: A motion was made by Mr. Hickey to approve the Budget Policy to be effective at the same time as the RTO's non-discriminatory open access transmission tariff goes into effect. Further, Chair Million will work with RTO counsel to finalize the draft with the understanding that no material changes will be made without bringing the policy back to the Committee. Motion seconded by Mr. Thayer.

A roll call vote was taken and the motion to approve the Budget Policy was approved unanimously.

Chair Million asked for a motion to approve the Business Practices.

MOTION: A motion was made by Mr. Thayer to approve the Budget Process Business Practice and the Extended Interruption Business Practice to be effective at the same time as the RTO's non-discriminatory open access transmission tariff goes into effect. Further Chair Million will work with RTO counsel to finalize the drafts with the understanding that no material changes will be made without bringing the business practices back to the Committee. Motion seconded by Mr. Hickey.

A roll call vote was taken and the motion to approve the Budget Process and Extended Interruptions Business Practices was approved unanimously.

MOTION: A motion was made by Mr. Thayer to enter into executive session to discuss confidential matters related to RTO finances and/or its legal strategy as described by, and for the reasons outlined by, counsel, which is consistent with our bylaws. Motion seconded by Mr. Hickey.

9. EXECUTIVE SESSION – 10:30 am. (Bylaws Section 5.12.3) To discuss matters, the immediate knowledge of which could have an adverse effect on the finances or legal position of the RTO, the Committee or Authority, or that are confidential under state, federal, or local law.

The RTO Governance Committee reconvened its regular meeting at 10:58 a.m. Chair Million advised that the RTO did not take any formal action on the matters discussed while in executive session, except as authorized by Bylaws Section 5.12.2, to give direction to an attorney or negotiator regarding the handling of a specific legal matter or pending negotiation.

10. MEMBER COMMENTS

Mr. Izzo thanked everyone and appreciated the subcommittee work that has been ongoing.

Mr. Miller agreed with Mr. Izzo and thanked the subcommittees for their work.

Ms. Spuhler had no comments.

Mr. Jenkin recalled at the last meeting he suggested that because ancillary services are addressed under TO tariffs, there might need to be some modification to the policy that was passed, but after discussions, there is a recognition if there are multiple TOs and a balancing authority, the TOs would need to work out a mechanism to comply with the RTO tariff. He summarized that no changes are necessary to the business practice for secondary service that was passed at the last meeting.

Mr. Billingsley had no comments.

Mr. Hickey echoed thanks to the subcommittees for the hard work.

Mr. Million recognized much work goes into preparing the documents presented today. He thanked the subcommittees.

11. NEXT MEETING DATE – September 11, 2026.

Chair Million stated the next meeting date is Friday, September 11, 2026.

12. ADJOURNMENT

There being no further business for the Committee, the meeting adjourned at 11:02 a.m.

____
Travis Million, Chair

____
Curtis W. Thayer, Secretary

Railbelt Transmission Organization

September 2026 Business Practice
Review

RTO Business Practice (BP) – Ancillary Services

- Section 4 of the proposed Tariff requires Ancillary Services (AnServs) in conjunction with transmission service to maintain reliability within and among the Balancing Authority (BA) Areas affected by the transmission service
- Purpose – establishes methods for Network Customers to obtain or provide AnServs from/to BAs to meet requirements in Section 4 of the proposed Tariff
- BP outlines
  - The requirement to purchase Scheduling, System Control and Dispatch Service, and Reactive Supply and Voltage Control from Generation or Other Sources
  - Mechanisms to meet the requirements for: Regulation and Frequency Response Service; Energy Imbalance Service; Operating Reserve Service; and Generator Imbalance Service

Railbelt Transmission Organization

NONDISCRIMINATORY OPEN ACCESS TRANSMISSION TARIFF

Business Practice 0304

ANCILLARY SERVICES

Version 1.0

EFFECTIVE DATE: XX/XX/XXXX

Contents

TABLE OF CONTENTS

1. PURPOSE

This Business Practice (BP) establishes methods for Network Customers to obtain or provide Ancillary Service(s) (AnServ(s)) from/to Balancing Authority(ies) (BA(s)) to meet requirements in Section 4 of the Nondiscriminatory Open Access Transmission Tariff (NOATT).

2. TARIFF REQUIREMENTS

AnServs are defined in Section 2.2 of the NOATT as "Those services that are necessary to support the transmission of capacity and energy into, out of, across and within the Backbone Transmission System while maintaining reliable operation of the Backbone Transmission System in accordance with Prudent Utility Practice." Section 4 of the NOATT requires AnServs "in conjunction with transmission service to maintain reliability within and among the Balancing Authority Areas affected by the transmission service."

3. GENERAL REQUIREMENTS

As stated in Section 4 of the NOATT, "Each Balancing Authority is required to provide, and the Network Customer (NC) is required to purchase, the following Ancillary Services (i) Scheduling, System Control and Dispatch, and (ii) Reactive Supply and Voltage Control from Generation or Other Sources." These two AnServs are detailed in Sections 4.1 and 4.2 as well as in Schedules 1 and 2 of the NOATT. Each BA "shall maintain a schedule showing its cost of providing this service". If more than one Transmission Owner (TO) exists within a BA, it shall be the responsibility of the TOs within the BA to create a single schedule showing the cost to provide AnServs. For Scheduling, System Control and Dispatch AnServs, each BA involved in scheduling of energy for the NC will need to be compensated. For Reactive Supply and Voltage Control AnServ from Generation or other sources, the BA(s) providing the service will need to be compensated. For the other AnServs the following sections review the mechanisms to meet those requirements.

3.1. Regulation and Frequency Response Service

The Regulation and Frequency Response Service AnServ is defined in Section 4.3 and Schedule 3 of the NOATT. The NC "must either purchase this service" from the BA or "make alternative comparable arrangements to satisfy its" AnServ obligation. The NC will meet the obligation with the BA with "Network Load of the Network Customer", in other words the sink (or load) BA upon request of the NC will "share" with the NC "its reasoning and any related data used to make the determination of whether the Network Customer has made alternative comparable arrangements." As with all the AnServs the BA will "maintain a schedule showing its cost of providing this service."

3.2. Energy Imbalance Service

The Energy Imbalance Service AnServ is defined in Section 4.4 and Schedule 4 of the NOATT. The NC "must either purchase this service" from the BA or "make alternative comparable arrangements to satisfy its" AnServ obligation. The NC will meet the obligation with the BA with "Network Load of the Network Customer", in other words the sink (or load) BA. As with all the AnServs, the BA will "maintain a schedule showing its cost of providing this service."

3.3. Operating Reserve

The Operating Reserve AnServs, for Spinning Reserve Service and Supplemental Reserve Service, are defined (respectively) in Section 4.5 & 4.6, as well as Schedule 5 & 6 of the NOATT. The NC "must either purchase" these services from the BA(s) with "Network Resources of the Network Customer", in other words the source (or generation) BA(s), or "make alternative comparable arrangements to satisfy its" AnServ(s) obligation. As with all the AnServs the BA(s) will "maintain a schedule showing its cost of providing this service."

3.4. Generator Imbalance Service

The Generator Imbalance Service AnServ is defined in Section 4.7 and Schedule 7 of the NOATT. The NC "must either purchase this service" from the BA(s) with "Network Resources of the Network Customer", in other words the source (or generation) BA, or "make alternative comparable arrangements to satisfy its" AnServ obligation. As with all the AnServs the BA will "maintain a schedule showing its cost of providing this service."

3.5. Other Considerations

In meeting these obligations and requirements the NC, BA, and TO can consider various methods to fulfill the relevant AnServ obligation. Examples include pseudo ties, dynamic schedules, non-generation resources, batteries, or any other method that relieves the AnServ obligation of the BA or TO for the NC.

It is up to the BA and TO to validate self-provision of any AnServ.

4. ADDITIONAL STEPS

Saved for future use, if needed.

RTO Committee	Doc ID	Document Title	Current Version	Current Rev Date
Technical Subcommittee	BP0304	Ancillary Services	1.0	09/17/2026

Revision History

Version Number	Revision Date	Effective Date	Prepared By	Summary of Changes
1..0	09/17/2026	TBD	Technical Subcommittee	Initial Draft Recommendation to GC

Approval:

Governance Committee Meeting: XXXXX XX, 202X