December 23, 2015

VIA ELECTRONIC FILING

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: Midcontinent Independent System Operator, Inc.’s Compliance Filings to
Interregional Compliance Filing for the MISO-SERTP Seam,

Dear Secretary Bose:


Parties”) submit for filing proposed revisions to MISO’s Open Access Transmission, Energy, and Operating Reserve Markets Tariff (“Tariff”) to comply with the requirements of the November 25 Order regarding Order No. 1000’s interregional planning and cost allocations requirements as applicable to MISO and the Southeastern Regional Transmission Planning Region (“SERTP”). While MISO is submitting these revisions to comply with the Commission’s November 25 Order, as noted below and in the contemporaneously filed request for rehearing, MISO believes that these revisions will frustrate MISO’s compliance with the requirements of Order No. 1000 by eliminating MISO’s ability to approve and cost allocate Interregional Transmission Projects. MISO further notes that this issue impacts MISO’s ability to consider Interregional Transmission Projects not only for the MISO-SERTP seam, but also MISO’s seams with PJM Interconnection, LLC (“PJM”) and the Southwest Power Pool, Inc. (“SPP”).

Consistent with the effective date adopted by the Commission in the November 25 Order, the Filing Parties request that the Commission accept the Tariff revisions submitted in this filing to be effective January 1, 2015.

I. INTRODUCTION

This filing involves compliance with Order No. 1000’s interregional transmission planning and cost allocation requirements with a neighboring transmission planning region – SERTP. On July 10, 2013, MISO filed its initial, joint proposal in the above-referenced docket regarding compliance with Order No. 1000’s interregional transmission coordination and cost allocation requirements with the transmission planning regions neighboring MISO. The initial
proposals with SERTP were joint proposals; MISO and the SERTP Sponsors coordinated their efforts closely prior to filing to develop agreed, substantively parallel, Tariff language relating to interregional coordination. On January 23, 2015, the Commission issued the January 23 Order, which addresses the initial compliance proposals submitted by MISO and the SERTP Filing Parties. While accepting important aspects of those compliance proposals, the January 23 Order required some changes.

On February 23, 2015, MISO and the MISO Transmission Owners filed a request for clarification or rehearing. The Rehearing Request asked the Commission to clarify or reconsider a directive in the January 23 Order rejecting MISO’s proposal “to not consider a regional transmission project for potential displacement by an interregional transmission project if the regional transmission project has already been approved in the MISO regional transmission plan...” The Rehearing Request argued that this directive could be read to require MISO to unwind its Commission-approved regional selection process, terminate or suspend a project that already has been assigned to a developer, and rescind binding legal and financial commitments when an interregional project is identified as a potential replacement for a previously-approved regional project.


8 Rehearing Request at 3-8, citing January 23 Order at P 187.
9 Id. at 3.
evaluation of interregional projects by acting as an interface between interregional projects and MISO’s existing Tariff provisions governing regional project types; and (2) establish rules for cost allocating the portion of Interregional Transmission Projects to be borne by the MISO region.\textsuperscript{11} The Second MISO Filing did not propose language to unwind its regional process to allow for post-approval replacement of a project, noting that the Rehearing Request remained outstanding.\textsuperscript{12}

On November 25, 2015, the Commission issued the November 25 Order, which: (1) rejected the Filing Parties’ proposals to establish an Interregional Transmission Project and rules governing regional cost allocation for such projects, (2) denied the Filing Parties’ Rehearing Request, and (3) denied a protest filed by International Transmission Company and ITC Midwest LLC.\textsuperscript{13} The November 25 Order largely accepted the joint compliance proposals by the Filing Parties and SERTP to be effective January 1, 2015, subject to further compliance to be made within thirty days, or by December 28, 2015.\textsuperscript{14}

II. TARIFF REVISIONS TO COMPLY WITH THE NOVEMBER 25 ORDER

The Filing Parties discuss each of the directives from the November 25 Order below.

A. Delete Attachment FF Section II.E (Interregional Projects)

The Commission rejected MISO’s proposed Section II.E, establishing an Interregional Project type, finding that this proposal: (1) was outside the scope of compliance with the January 23 Order, (2) did not meet the requirement of being parallel language because it is not included in any of the SERTP parties’ tariffs, (3) would conflict with an existing definition of “Interregional Transmission Project” in MISO’s Tariff, (4) required Interregional Transmission Projects to be both more cost effective AND efficient than the displaced regional transmission projects, whereas Order No. 1000 requires only that they be either more effective OR cost-effective; and (5) the proposed references in Section II.E duplicate other provisions and references in the Tariff and are potentially confusing.\textsuperscript{15} Based on these findings, the Commission directed MISO to delete proposed Attachment FF Section II.E entirely and to delete the term “Interregional Transmission Project” in those places where the Second MISO Filing proposed to add it.

In compliance with the November 25 Order, MISO has deleted proposed Section II.E from Attachment FF and deleted references to Interregional Transmission Projects in all instances where MISO had proposed to add it. MISO will continue to work with stakeholders to

\textsuperscript{11} Second MISO Filing at 10-12.
\textsuperscript{12} Id. at 14.
\textsuperscript{13} See generally November 25 Order.
\textsuperscript{14} Id. at P 12. Thirty days from the date of the November 25 Order would be December 25, 2015—Christmas Day. December 28 is the next business day.
\textsuperscript{15} November 25 Order at P 19.
Honorable Kimberly D. Bose, Secretary  
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further consider this concept in its interregional planning processes, and will submit any such changes in a new filing in the future. However, as MISO notes in its contemporaneously-filed rehearing request, MISO believes that striking these provisions will frustrate MISO’s ability to effectively consider Interregional Transmission Projects for approval, as required by Order No. 1000. Moreover, this issue will impact not only the MISO-SERTP seam, but also MISO’s seams with PJM and SPP because MISO relied on use of the Interregional Transmission Project category established in the compliance filing in these dockets as the mechanism for consideration of Interregional Transmission Projects on those seams as well.

B. Regional Cost Allocation Methods

The Commission denied the Filing Parties’ Rehearing Request, finding that the relationship between the regional transmission planning process and the interregional transmission coordination procedures was central to its acceptance of MISO’s proposed avoided cost-only methodology for evaluating interregional projects and that this methodology requires an already-accepted project to perform the comparison. The Commission found that MISO failed to explain what an “identified” project is, that MISO could, consistent with its Tariff, displace regional projects that already have been approved when required by an avoided cost comparison to an interregional project, and that the requirement that interregional projects be evaluated in the same general timeframe as regional projects, mitigated any concerns about late presentation of interregional projects. Consistent with these directives, the Commission directed the Filing Parties and SERTP to include in their Tariffs a statement that “MISO will quantify benefits of an interregional transmission project based upon the total avoided costs of projects included in the then-current regional transmission plan that would be displaced if the proposed interregional transmission project was included.”

The Filing Parties have complied with the Commission’s directive by revising Attachment FF, Section X.D.2.b.ii to read:

for the Transmission Provider, the total avoided costs of projects included identified, but not approved in the then-current regional transmission plan that would be displaced if the proposed interregional transmission project was included. MISO submits that this the inclusion of this language satisfies the Commission’s directive.

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16 Id. at PP 36-38.
17 Id. at PP 39-42.
18 Id. at P 43.
19 See Tabs A & B at Attachment FF Section X.D.2.ii.
C. Quantification of Interregional Transmission Project

The Commission rejected MISO’s proposed Attachment FF Section III.A.2.i, which proposed language explaining how the portion of interregional transmission project costs that are allocated to MISO will be further allocated within MISO. The Commission found that this proposal was outside the scope, not needed in view of the Commission’s rejection of proposed Attachment FF Section II.E, and partially duplicative of Tariff language governing cost allocation methods for Baseline Reliability Projects, Market Efficiency Projects, and Multi-Value Projects. Accordingly, the Commission directed MISO to delete Attachment FF Section III.A.2.i on compliance.

MISO has complied with the Commission’s directive by deleting proposed Attachment FF Section III.A.2.i subject to the comments above and in the contemporaneously-filed rehearing request.

D. Reference Corrections

The November 25 Order directed MISO to update Attachment FF to correct inconsistent references, including several identified references. MISO has complied with this directive by making these revisions, as is reflected in the attached Tariff sheets.

III. Service

MISO has served a copy of this filing electronically, including attachments, upon all persons listed on the Commission’s service list for the above-referenced proceeding, Tariff Customers, MISO Members, Member representatives of Transmission Owners and Non-Transmission Owners, MISO Advisory Committee participants, as well as all state commissions within the Region, and the Organization of MISO States. In addition, the filing has been posted at https://www.misoenergy.org/Library/FERCFilingsOrders/Pages/FERCFilings.aspx, on MISO’s website, for other interested parties in this matter.

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20 Id. at P 45.
21 Id.
22 Id.
23 Id. at P 52.
24 See Tabs A & B.
IV. Supporting Documents

- Tab A – Redlined Version of Tariff Sheets effective 1/1/2015
- Tab B – Clean Version of Tariff Sheets effective 1/1/2015\(^{25}\)
- Tab C – Clean Version of Tariff Sheets effective 2/2/2016\(^{26}\)

V. Proposed Effective Date

The Filing Parties respectfully request that the proposed Tariff revisions be made effective January 1, 2015, consistent with the effective date ordered by the Commission in the November 25 Order.

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\(^{25}\) The Tariff sheets contained in Tab B reflect a January 1, 2015 effective date and includes all Tariff language effective through that date.

\(^{26}\) The Tariff sheets contained in Tab C reflect a February 2, 2016 effective date and includes all pending Tariff language effective through that date, including language filed in Docket No. ER16-469-000 and ER15-2657-001. MISO requests that the Commission treat such pending language in Docket Nos. ER16-469-000 and ER15-2657-001 as subject to the outcome of those pending proceedings. MISO commits to file any revisions to the pending language as necessary to comply with any Commission orders in Docket Nos. ER16-469-000 and ER15-2657-001.
VI. Communications

Communications concerning this filing should be directed to the undersigned attorneys or following representatives of the Midcontinent Independent System Operator and MISO Transmission Owners.

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Attorneys for the  
MISO Transmission Owners
VII. CONCLUSION

Wherefore, the Filing Parties respectfully request that the Commission accept this compliance filing and proposed Tariff revisions, effective January 1, 2015.

Sincerely,

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ATTACHMENT FF

TRANSMISSION EXPANSION PLANNING PROTOCOL

I. Transmission Expansion Plan - Purpose and Scope, Definition and Role of OMS Committee: This Attachment FF describes the process to be used by the Transmission Provider to develop the MISO Transmission Expansion Plan (“MTEP”), subject to review and approval by the Transmission Provider Board. The provisions of this Attachment FF are consistent with the applicable provisions of Appendix B of the ISO Agreement and this Tariff. For purposes of this Attachment FF, all references to Transmission Owner(s) will include ITC(s). The costs incurred by the Transmission Provider in the performance of data collection, analyses and review, and in the development of the MTEP report, costs incurred under Section I.C of this Attachment FF, and costs incurred under Section I.D of this Attachment FF shall be recovered from all Transmission Customers under Schedule 10 of the Tariff.

A. Enrollment Process: The MTEP is developed to facilitate the timely and orderly expansion of and/or modification to the Transmission System to maintain reliability, promote efficiency in bulk power markets and facilitate compliance with applicable Federal and state laws, regulatory mandates and regulatory obligations. Any transmission provider that wishes to enroll in the Transmission Provider planning process for purposes of Order No. 1000 compliance must become a Transmission Owner, by signing the ISO Agreement, and by, within a reasonable period of time: (1) turning over functional control of its transmission facilities to the Transmission Provider; and (2) taking service under this Tariff for all its load that is physically located within the geographic area comprising the Transmission System. All Transmission Owners enrolled in the Transmission Provider’s transmission planning region are listed in either
(1) Attachment FF-4 of this Tariff, for Transmission Owners without a separately filed local planning process or (2) Attachment FF-5 of this Tariff, for Transmission Owners with a separately filed local planning process.

B. **OMS Committee Input to MTEP Process:** To the extent not otherwise specifically addressed in other portions of this Attachment FF, with respect to the MTEP process, the OMS Committee may provide input to the Transmission Provider planning staff and the System Planning Committee of the Transmission Provider Board, as appropriate, regarding the following:

1. At the start of a planning cycle, the OMS Committee may suggest to the Transmission Provider Board modifications to the Transmission Provider’s planning principles and planning objectives for that planning cycle;

2. At the start of a planning cycle, the OMS Committee may suggest additional scope elements in the MTEP;

3. Modeling inputs or assumptions used in the development of the MTEP and related appropriate cost/benefit analyses with respect to certain projects that are not proposed strictly for reliability; and

4. Concerns about general or specific issues with the MTEP process as they arise during the planning year.

Furthermore, at the end of the MTEP development process, but before the MTEP is submitted to the Transmission Provider Board for its review, the OMS Committee may submit a reconsideration request to the Transmission Provider planning staff, which shall respond prior to
submitting the final MTEP report to the Transmission Provider Board. This reconsideration request can be made only with respect to Network Upgrades eligible to receive regional cost allocation under Attachment FF if such projects: (1) will be recommended to the Transmission Provider Board for MTEP Appendix A approval, but have not been considered through the complete MTEP process or (2) will have a change in project cost of twenty-five percent (25%) or greater between the final Subregional Planning Meeting in the current planning year and the project being submitted to the Transmission Provider Board for approval. The Transmission Provider shall consider such a reconsideration request only if it is endorsed by the OMS acting by a vote of sixty-six percent (66%) or more of the OMS members.

At the end of each MTEP cycle, the OMS Committee may submit its assessment of the MTEP process to the Planning Advisory Committee, Transmission Provider, and the System Planning Committee of the Transmission Provider Board. Upon receipt of any such assessment from the OMS Committee, the Transmission Provider planning staff shall provide an appropriate response in a reasonably timely manner.

The manner in which the OMS Committee shall provide its assessment shall be set forth in the Transmission Planning Business Practices Manual procedures. The general procedures adopted with respect to the OMS Committee input into the MTEP shall remain unchanged until June 1, 2015, unless otherwise mutually agreed to by the Transmission Provider and the OMS Committee. Changes to the Transmission Planning Business Practices Manual procedures which describe OMS Committee input into the MTEP process may not be adopted with less than sixty
(60) days’ notice to the OMS Committee unless the OMS Committee consents to such earlier adoption. At the end of the two year period the Transmission Provider, the OMS, and other stakeholders will assess the success of the input procedures and provide suggestions for improvement.

C. Development of the MTEP: The Transmission Provider, working in collaboration with representatives of the Transmission Owners, OMS, and the Planning Advisory Committee, shall develop the MTEP, consistent with Good Utility Practice and taking into consideration long-range planning horizons, as appropriate. The Transmission Provider shall develop the MTEP for expected use patterns and analyze the performance of the Transmission System in meeting both reliability needs and the needs of the competitive bulk power market, under a wide variety of contingency conditions. The MTEP will give full consideration to the needs of all Market Participants, will include consideration of demand-side options, and will identify expansions or enhancements needed to i) support competition and efficiency in bulk power markets; ii) comply with Applicable Laws and Regulations; and iii) maintain reliability. This analysis and planning process shall integrate into the development of the MTEP among other things:

(i) the Transmission Issues identified from Facilities Studies carried out in connection with specific transmission service requests; (ii) Transmission Issues associated with generator interconnection service; (iii) the Transmission Issues, including proposed transmission projects, identified by the Transmission Owners in connection with their planning analyses in accordance with local planning process described in Section I.D.1.a to this Attachment FF and the coordination processes of Section I.D.1.b., or developed by
Transmission Owners utilizing their own FERC-approved local transmission planning process described in Section I.D.2, as applicable, to provide reliable power supply to their connected load customers and to expand trading opportunities, better integrate the grid and alleviate congestion; (iv) the transmission planning obligations of a Transmission Owner, imposed by federal or state law(s) or regulatory authorities, which can no longer be performed solely by the Transmission Owner following transfer of functional control of its transmission facilities to the Transmission Provider; (v) plans and analyses developed by the Transmission Provider to provide for a reliable Transmission System and to expand trading opportunities, better integrate the grid and alleviate congestion; (vi) the identification, evaluation, and analysis of expansions to enable the Transmission System to fully support the simultaneous feasibility of all Stage 1A ARRs; (vii) the inputs provided by the Planning Advisory Committee; (viii) the inputs, if any, provided by the state and local regulatory authorities having jurisdiction over any of the Transmission Owners; (ix) the inputs of the OMS Committee; and (x) the transmission needs driven by public policy requirements selected to be included as Transmission Issues pursuant to Section I.C.1.b.ii in accordance with Applicable Laws and Regulations.

1. Planning Cycle and Milestones: The ISO Agreement requires that a regional transmission plan be developed biennially or more frequently. An MTEP planning cycle is established for each calendar year. The development of the MTEP for a planning cycle with a given calendar year designation begins on June 1 of the year prior to the MTEP calendar year designation and ends with the approval of the final MTEP report by the Transmission Provider Board. This approval typically occurs at the

Effective On: January 1, 2015
Transmission Provider Board Meeting in December of the MTEP designated year. For example, the development of the MTEP14 transmission plan will commence on June 1 of 2013 and typically end with approval in December 2014. The development of the MTEP will follow specified process steps that are detailed, including process diagrams, in the Transmission Provider’s Transmission Planning Business Practices Manual (“TPBPM”). The TPBPM shall be posted on the website of the Transmission Provider.

a. Planning Functions: The planning process includes the following functions which are described in detail in the TPBPM:

i. Model Development;

ii. Generator Interconnection Planning;

iii. Transmission Service Planning;

iv. Cyclical Regional Expansion Planning activities;

v. Interregional coordination with neighboring transmission planning regions;

vi. System Support Resource (“SSR”) Studies for unit decommissioning;

vii. Transmission-to-Transmission Interconnections;

viii. Load Interconnections; and

ix. Focus Studies. These are studies initiated during the cyclical baseline planning process that cannot be delayed until the next planning cycle (for example, NERC/FERC directives, or near-term critical operational issues).
Each of these planning functions may develop system expansions that are taken into consideration in developing the entirety of the MTEP.

b. Planning Cycle: The regional planning process is performed through a continuous series of planning cycles, with each cycle typically addressing Transmission Issues through a rolling planning horizon. Each cycle commences with regional model development, identification of potential expansions from the local planning processes of the Transmission Owners, identification and selection of transmission needs driven by public policy requirements pursuant to Section I.C.1.b.ii to be included as Transmission Issues, and identification by stakeholders or the Transmission Provider of potential expansions that address the Transmission Issues. Each cycle concludes with recommendations to the Transmission Provider Board of recommended solutions to the Transmission Issues evaluated. Transmission Owner plans developed through local planning processes described in Section I.D.1.a are included in the beginning of each regional planning cycle as potential alternatives to local Transmission Issues identified by the Transmission Owners.

i. Key Planning Cycle Milestones: The regional planning process evaluates, with stakeholder input throughout the cycle, the local plans of the Transmission Owners, as one input to the development of the regional plan. Key milestones in the typical MTEP development process are listed below and requirements and timelines for data submittal, review, and comment at each of these milestone points are described in the TPBPM:
(a). Model development;
(b) Identification and selection of transmission needs driven by public policy requirements pursuant to Section I.C.1.b.ii to be included as Transmission Issues;
(c). Testing models against applicable planning criteria;
(d). Development of possible solutions to identified Transmission Issues;
(e). Selection of preferred solution;
(f). Determination of funding and cost responsibility; and
(g). Monitoring progress on solution implementation.

ii. Transmission needs driven by public policy requirements: The process for selecting transmission needs driven by public policy requirements, out of the larger set of transmission needs driven by public policy requirements that stakeholders may propose, to be included in the Transmission Issue(s) for which transmission solutions will be evaluated shall be as follows:

   a. At the beginning of the MTEP cycle, stakeholders submit to the Transmission Provider, proposals to consider transmission needs driven by public policy requirements, as part of the Transmission Issues they may raise, in accordance with Section I.C.2.b, through Sub-Regional Planning Meetings, the Planning Subcommittee and/or the
Planning Advisory Committee. The Transmission Provider may also identify transmission needs driven by public policy requirements to be evaluated.

b. The Transmission Provider will then consolidate all such identified transmission needs driven by public policy requirements that it receives into a list that will be distributed to stakeholders through the Planning Subcommittee and/or the Planning Advisory Committee and to other stakeholder forums as the Transmission Provider deems necessary.

c. Transmission needs driven by public policy requirements will be discussed in the Sub-Regional Planning Meetings, Planning Subcommittee and/or the Planning Advisory Committee in accordance with Section I.C.2.b.

d. The Transmission Provider will assess such identified transmission needs driven by public policy requirements that it receives, considering the feedback received from stakeholders and the Sub-Regional Planning Meetings, Planning Subcommittee and/or the Planning Advisory Committee, and select the public policy requirements that will be further studied in the MTEP process. This selection will be based on:
MISO
FERC Electric Tariff
ATTACHMENTS

ATTACHMENT FF
Transmission Expansion Planning Protocol
40.0.0, 46.0.0

1. the effective dates, nature and magnitude of the public policy requirements in the Applicable Laws and Regulations;

2. the immediacy or other estimated timing, and extent, of the potential impact on the identified transmission needs;

3. the availability of the resources, and any limitations thereto, that would be required by consideration of such transmission needs driven by public policy requirements;

4. the relative significance of other Transmission Issues that have been raised for consideration; and

5. other appropriate factors that can aid the prioritization of Transmission Issues to be considered by the regional transmission planning process.

iii. The Transmission Provider shall address each of these milestones throughout the planning cycle through Sub-regional Planning Meetings, Planning Subcommittee and Planning Advisory Committee meetings.

2. Stakeholders Input in Planning Process: The Transmission Provider shall facilitate discussions with its Transmission Customers, Transmission Owners, OMS Committee, and other stakeholders about the Transmission Issues and solutions involving
both transferred and non-transferred facilities, as described in Section I.D.1 of this Attachment FF.

These discussions will take place at Sub-regional Planning Meetings and at regularly scheduled meetings of the Transmission Provider’s Planning Subcommittee, at locations provided by the Transmission Provider and with communication capabilities for those participants unable to have in person representation at these meetings. Once the MTEP report for a specific planning cycle has been completed but prior to recommendation to the Transmission Provider Board for approval, the Transmission Provider shall seek feedback on the proposed MTEP, including Network Upgrades recommended for approval, from the Transmission Provider’s stakeholders and the OMS Committee.

a. Planning Advisory Committee (“PAC”): The Planning Advisory Committee is a standing committee reporting to the Transmission Provider’s Advisory Committee, and functions subject to the Stakeholder Governance Guide developed by the Stakeholder Governance Working Group, as approved by the Advisory Committee. The PAC is responsible for addressing planning policy issues of importance to stakeholders and within the responsibilities of the Transmission Provider. The PAC charter is maintained on the Transmission Provider’s website.

b. Planning Subcommittee (“PS”): The Planning Subcommittee is a standing stakeholder-chaired subcommittee of the Planning Advisory Committee, and functions subject to the Stakeholder Governance Guide developed by the Stakeholder Governance Working Group, as approved by the Advisory
Committee. Planning Subcommittee membership is open to interested parties, including, but not limited to: transmission delivery service and interconnection service customers, marketers, developers, Transmission Owners, state and local regulatory authorities, federal regulatory staff, other Market Participants, and all interested parties. The charter for the committee is developed by stakeholders and is maintained on the Transmission Provider’s website. The Transmission Provider will seek guidance from Transmission Owners, state and local regulatory authorities, and other stakeholders through the Planning Subcommittee and/or the Planning Advisory Committee prior to the beginning of each new planning cycle. Guidance will include the scope of planning studies to be undertaken, the development of future scenarios to be modeled and analyzed in long-term planning studies, and the development of suitable models and assumptions to support such studies. The Transmission Provider will also seek guidance from Transmission Owners, state and local regulatory authorities, and other stakeholders through the Planning Subcommittee and/or the Planning Advisory Committee prior to implementing changes or revisions to the scope, models, and assumptions during the planning cycle. The Planning Subcommittee and/or the Planning Advisory Committee may form working groups at the discretion of stakeholders to perform specific tasks supporting the planning processes, such as model development and detail review of study results and draft plan reports.

c. Sub-regional Planning Meetings (“SPMs”): The Transmission Provider shall utilize SPMs to provide opportunity for Transmission Owners, state and
local regulatory authorities, and other stakeholders to provide input to the planning process, and to carry out the tasks of coordinating transmission plans among the Transmission Owners and proposals to address the Transmission Issues identified in the scope of transmission planning studies. Input and planned coordination may occur through the use of existing sub-regional planning groups (“SPGs”) where they exist, or through the establishment of new sub-regional meeting forums. One or more SPMs will be used or established for each of the four regional Planning Sub-regions of the Transmission Provider. Planning Sub-regions shall be defined based upon the Transmission Provider Planning Sub-regions: West, Central, South, and East as defined in Attachment FF-3.

i) SPM Participants: Participants at an SPM will consist of representatives of the Transmission Owners operating within the associated Planning Sub-region that integrate their local planning processes with the regional process, representatives from state and local regulatory authorities, and any other parties interested in or impacted by the planning process. For those Transmission Owners engaged in local planning under their own FERC approved local planning processes, such Transmission Owners shall participate in the SPM in order to coordinate their planning activities.

Neighboring transmission-owning utilities and regulatory participants are eligible and encouraged to participate in the SPM to promote joint
planning between the Transmission Provider and neighboring transmission systems.

ii) SPM Guidelines. The Sub-regional Planning Meeting participants shall:

(a) Make recommendations for a coordinated sub-regional Plan, after considering sub-regional and regional needs and alternatives, for the ensuing ten years, for all transmission facilities in the sub-region; (b) Review and comment on proposed Transmission Owners plans identified in local planning processes described in Section I.D.1.a. of this Attachment FF, for additions and modifications to the sub-regional transmission system, as potential solutions to identify Transmission Issues and review the transmission plans developed by those Transmission Owners that have their own FERC-approved local planning process (described in Section I.D.2) to ensure coordination of the projects set forth in such plans with the potential regional planning solutions developed in the SPM process consistent with the requirements of Appendix B of the Transmission Owners’ Agreement; (c) Form technical study task forces as required to carry out the sub-regional planning responsibilities;

(b) Encourage non-Transmission Provider member participation to improve understanding by the SPM participants,
the Planning Subcommittee, and the Transmission Provider staff of facility changes outside the Transmission Provider Region to ensure the impact of such changes are considered in the planning studies;

(c) Promote other stakeholder (i.e., environmental agencies, and load and generation developers) involvement in development of the sub-regional plans.

(d) Recommend to the Planning Subcommittee proposed sub-regional plans to be included in the MTEP. In addition, the transmission projects developed by any Transmission Owner or Owners utilizing the provisions of their own FERC-approved local planning process shall be submitted for inclusion in the regional MTEP after being evaluated by the Transmission Provider in the regional evaluation of SPMs in accordance with Appendix B of the Transmission Owners’ Agreement in determining the Transmission Provider’s recommendation for inclusion in the MTEP.

(e) Reflect, as desired, minority opinions to the Transmission Provider or the Planning Subcommittee.

(f) SPM Frequency, Location and Agenda: SPMs should meet at least two times per year or as otherwise provided for in the TPBPM, to provide input in the planning process, review plans and
recommend changes, if any, needed to address stakeholder needs and to coordinate proposed plans.

Meetings involving CEII or confidential materials shall be handled under Section I.C.12 of this Attachment FF.

3. Meeting Notifications: Notice shall be provided by way of email exploder lists distribution by the Transmission Provider of all SPMs, Planning Subcommittee, and Planning Advisory Committee meetings. These email exploder lists are established and maintained by the Transmission Provider and it is the responsibility of stakeholders to have registered as described on the Transmission Provider website. Meeting dates, times, locations, and materials will also be posted on the meeting calendar page of the Transmission Provider’s website. Meeting notification guidelines are set forth in the stakeholder developed Stakeholder Governance Guidelines.

4. Other Meeting Schedules: Planning Subcommittee meetings are regularly scheduled meetings that occur no less than bimonthly. Annual meeting schedules and objectives are developed at the December meeting each year for the subsequent year. Planning Advisory Committee meetings are scheduled as per the PAC Charter.

5. Planning Criteria: The Transmission Provider shall evaluate the system to address Transmission Issues in a manner consistent with the ISO Agreement and this Attachment FF. Projects included in the MTEP may be based upon any applicable planning criteria, including accepted NERC reliability standards and reliability standards adopted by Regional Entities, local planning reliability or economic planning criteria of the Transmission Owner, or required by State or local authorities, any economic or other
planning criteria or metrics defined in this Attachment FF, and any Applicable Laws and Regulations. Transmission Owners are required to annually provide updated copies of local planning criteria for posting on the Transmission Provider’s website. The Transmission Provider will post on its website an explanation of which transmission needs driven by public policy requirements will be evaluated for potential solutions in the local or regional transmission planning process, as well as an explanation of why other suggested potential transmission needs will not be evaluated.

6. Planning Analysis Methods: Planning analyses performed by the Transmission Provider will test the Transmission System under a wide variety of conditions as described in Section II and using standard industry applications to model steady state power flow, angular and voltage stability, short-circuit, and economic parameters, as determined appropriate by the Transmission Provider to be compliant with applicable criteria and this Tariff.

7. Planning Models: The Transmission Provider shall collaborate with Transmission Owners, other transmission providers, Transmission Customers, and other stakeholders to develop appropriate planning models that reflect expected system conditions for the planning horizon. The planning models shall reflect the projected Load growth of existing Network Customers and other transmission service and interconnection commitments. The models shall include any transmission projects identified in Service Agreements or Interconnection Agreements that are entered into in association with requests for transmission delivery service or interconnection service, as determined in Facilities Studies associated with such requests. Load forecasts applied to models will
consider the forecast Load of Network Customers reported to the Transmission Provider in accordance with the requirements of Module B and RAR of this Tariff, and the Business Practices Manuals of the Transmission Provider. Models will be posted on an FTP site maintained by the Transmission Provider and accessible to stakeholders with security measures as provided for in the TPBPM. The Transmission Provider will provide an opportunity for stakeholders to review and comment on the posted models before commencing planning studies.

The schedules for such reviews are maintained in the TPBPM. Stakeholders shall be afforded opportunities to provide input on Load projections from Tariff reporting requirements or from Transmission Owner forecasts. After the base line forecast and model are established, the Transmission Provider and/or Transmission Owners may adjust the forecast as necessary on an ad hoc basis throughout the planning year to address customer requests for new Load interconnections arising from on-going dialogue with existing and prospective customers.

8. Planning Assumptions: Each MTEP report shall list in detail the planning assumptions upon which the analyses are based. In general, planning analyses will be based on the following:

   a. Planning Horizons: The MTEP will identify Transmission Issues for a minimum planning horizon of five years and a maximum planning horizon of twenty years.

   b. Load: Load demand will generally be modeled by the Transmission Provider as the most probable (“50/50”) coincident Load projection for each
Transmission Owner’s service territory, for the season under study. Specific studies may model alternative Load probabilities or peak Load for areas within a Transmission Owner’s service territory as dictated by operational and planning experience and/or local planning criteria, but in any case shall be treated consistently in the planning for native Load and transmission access requests.

c. Generation: Planning models of five years or longer will model generation, taking into consideration applicable planning reserve requirements, that are: (i) existing and expected to be in existence in the planning horizon; (ii) not existing but with executed interconnection agreements; and (iii) additional generation as determined with stakeholder input, as necessary to adequately and efficiently meet demand forecasted through the planning horizon and to facilitate compliance with statutory or regulatory mandates. The Transmission Provider shall apply a scenario analysis to determine alternative future generation portfolio possibilities.

Generation portfolio development for planning model purposes will be developed with input from the Planning Advisory Committee and its subcommittees, working groups, and task forces. Point-To-Point Transmission Service and Network Integration Transmission Service customers will have an opportunity to guide new generation portfolio development that is reflective of customer future resource plans.

d. Demand Response Resources: Planning solutions will be based upon the best available information regarding the expected amount and location of Load
that can be effectively and efficiently reduced by demand response or energy efficiency programs, as well as the amount of behind-the-meter generation that can reliably be expected to produce Energy that could impact planning solutions. The Transmission Provider shall perform and report on sensitivity analyses that indicate the effectiveness of potential demand response as alternative planning solutions, to the extent that appropriate methodology for such analyses is developed with stakeholders and documented in the TPBPM.

e. Topology: Each planning study will use the best known topology based upon the most recently approved MTEP. Planning studies will include all projects approved by the Transmission Provider Board, and shall identify, as appropriate, and as detailed in the TPBPM, any system needs already identified in the most recent approved MTEP.

9. Evaluation of Alternatives: When the planning analyses, based on the foregoing principles, identifies Transmission Issues, the Transmission Provider will consider the inputs from stakeholders derived from the SPM processes, the inputs from the Planning Subcommittee and the Planning Advisory Committee, the plans of any Transmission Owner with its own FERC-approved local planning process, and the MTEP aggregate system analyses against applicable planning criteria, in determining the solutions to be included in the MTEP and recommended to the Transmission Provider Board for implementation.

10. Facility Design: Facility design and system configuration (such as conductor sizes, transformer design, bus configuration, protection schemes) are selected by the
Transmission Owner, and must be consistently applied by the Transmission Owner for comparable system service conditions. Comparable application of system design does not preclude the consideration or selection of advanced or alternative transmission technology. For New Transmission Facilities associated with Open Transmission Projects, the Transmission Provider may provide limitations or requirements regarding facility design when necessary due to a planning driver or to ensure compatibility with existing transmission facilities to which the New Transmission Facilities will interconnect as further described in Section VIII.D of this Attachment FF.

11. Status of Recommended Facilities: Upon solicitation from the Transmission Provider and upon reaching pre-designated milestones in the project implementation process, the responsible Transmission Owner or Selected Transmission Developer shall report the status of all projects recommended for implementation in the MTEP. Status reports shall, at a minimum, include: (i) changes to the schedule and to the estimated project cost; (ii) an explanation of the causes of, or reasons for, any such changes; and (iii) changes in project status (i.e., under construction, in service, or withdrawn). The Transmission Provider shall report such progress to the Transmission Provider Board on a quarterly basis, or as otherwise directed by the Transmission Provider Board. The Transmission Provider shall also post all such progress reports on the Transmission Provider’s website on a quarterly basis.

a) Status of Developer Qualifications: Upon solicitation from the Transmission Provider and upon reaching pre-designated milestones in the project implementation process, Selected Transmission Developers shall report the
following: (i) changes to the developer qualifications, as defined in the Binding Proposal Agreement, including changes in the developer constructing the project; (ii) an explanation of the causes of, or reasons for, such changes; and (iii) an assessment of the impact of the changes on the project. The Transmission Provider shall report such changes and any impact to the Transmission Provider Board on a quarterly basis, or as otherwise directed by the Transmission Provider Board. Pre-designated milestones in the project implementation process of a typical MTEP development process are listed below. Requirements and timelines for data submittal, review, and comment at each of these milestone points are described in the TPBPM.

i. Milestone 1: Final Sub-regional Planning Meeting / Out of Cycle Request Submittal

ii. Milestone 2 a: Pre-project approval

iii. Milestone 2b: Developer selection (Only applicable to Open Transmission Projects, which by definition will proceed through the Transmission Provider’s inclusive evaluation process to select the Selected Transmission Developer)

iv. Milestone 3: Long lead materials

v. Milestone 4: Pre-construction

vi. Milestone 5: Facility completion

12. Treatment of Critical Energy Infrastructure Information (“CEII”) and Confidential Data: The Transmission Provider shall utilize a Non-Disclosure and Confidentiality
Agreement (“NDA”) to address sharing of CEII transmission planning information. FTP sites containing such information will require such agreements to be executed in order to obtain access to those sites. Stakeholder meetings at which CEII may be available shall be noticed to email exploders and shall require execution of NDAs prior to participation in such meetings. In the alternative, such meetings will be structured to have separate discussion of issues involving CEII data only with participants that agree to execute the NDA. Confidential information related to economic (e.g., congestion) studies, as well as CEII, is clearly sensitive information which must remain confidential. The Transmission Provider shall use generic, publicly available, cost information from industry sources in the economic studies to prevent the accidental release of confidential information. This approach will promote an open planning process because the results of economic studies are available to all interested parties.

13. Resolution of Stakeholder Input: The Transmission Provider shall solicit input and comments from all stakeholders, including Transmission Owners, during and after stakeholder planning meetings, and will use reasonable efforts to reply to comments that the Transmission Provider does not elect to implement, together with reasons for such actions. The Transmission Provider shall develop a process for the documentation and resolution of stakeholder issues raised in the planning process, including but not limited to issues related to planning criteria.

14. Dispute resolution: Consistent with Attachment HH of this Tariff, the Transmission Provider shall resolve disputes concerning MTEP issues. The first step will be for designated representatives of the affected parties to work together to resolve the
relevant issues in a manner that is acceptable to all parties. If that step is unsuccessful, each affected party shall designate an officer who shall review disputes involving them that their designated representatives are unable to resolve. The applicable officers of the parties involved in such dispute shall work together to resolve the disputes so referred in a manner that meets the interests of such parties, either until such agreement is reached, or until an impasse is declared by any party to such dispute. If such officers are unable to satisfactorily resolve the issues, the matter shall be referred to mediation. Parties that are not satisfied with the dispute resolution procedures may only file a complaint with the Commission during the negotiation or mediation steps.

If a matter remains unresolved, the affected parties may pursue arbitration.

D. **Project Coordination:** In the course of the MTEP process, the Transmission Provider shall seek out opportunities to coordinate or consolidate, where possible, individually defined transmission projects into more comprehensive cost-effective developments subject to the limitations imposed by prior commitments and lead-time constraints. The Transmission Provider shall coordinate with Transmission Owners, and shall consider the input from the SPMs, Planning Subcommittee, and Planning Advisory Committee to develop expansion plans to meet the needs of the system. This multi-party collaborative process will allow for all projects with regional and inter-regional impact to be analyzed for their combined effects on the Transmission System. Moreover, this collaborative process is designed to ensure that the MTEP address Transmission Issues within the applicable planning horizon in the most efficient and cost effective manner, while giving consideration to the inputs from all stakeholders. In addition to the requirements of this Attachment FF, there may be state or local procedural requirements
applicable to the planning or siting of transmission facilities by the Transmission Owners. A current list of those requirements can be found on the Transmission Provider’s website.

1. Transmission Owners Electing to Integrate their Local Planning Processes into the Transmission Provider’s Processes: Some Transmission Owners have agreed to integrate internal planning process with the Transmission Provider’s open and coordinated planning processes for all of their transmission facilities to comply with Order 890 Planning Principles instead of filing a separate Attachment K. Through this election, the local planning for all transmission facilities of these Transmission Owners, regardless of whether the facilities are ultimately transferred to the functional control of the Transmission Provider, shall be integrated with and included in the regional planning processes of the Transmission Provider. These regional planning processes, as provided for in this Attachment FF and in additional detail in the TPBPM, ensure that the planning decisions for all such facilities are made in an open and transparent environment.

This planning environment provides opportunity for input from, and review by, stakeholders of the Open Access Transmission Tariff services throughout the planning process, and is in accordance with the Planning Principles of the Order 890 Final Rule. The open and transparent planning provisions of this Attachment FF shall not preclude interaction between stakeholders and Transmission Owners prior to the submittal of proposed projects to the regional planning process.

Transmission Owners integrating local planning processes into the regional planning processes are listed in Attachment FF-4. Such Transmission Owners shall be responsible for providing the Transmission Provider with sufficient information regarding all
planning activities to enable the Transmission Provider to adequately review and incorporate all of the Transmission Owner’s transmission facilities into the regional planning process of the Transmission Provider, as described in Sections I.B.1.a. and I.D.1.b. of this Attachment FF.

The foregoing Transmission Owners will utilize the planning stakeholder forums of the Transmission Provider to demonstrate the need for, identify the alternatives to, and report the status of non-transferred transmission facilities using the same open, transparent and coordinated planning process provided by the Transmission Provider for transferred facilities as described in this Attachment FF.

a. Local Planning Processes of Transmission Owners: In accordance with the ISO Agreement, each Transmission Owner engages in local system planning in order to carry out its responsibility for meeting its respective transmission needs in collaboration with the Transmission Provider subject to the requirements of applicable state law or regulatory authority. In meeting its responsibilities under the ISO Agreement, the Transmission Owners may, as appropriate, develop and propose plans involving modifications to any of the Transmission Owner’s transmission facilities which are part of the Transmission System. The Transmission Owners shall include the following specific local planning steps in order to develop plans for potential inclusion in the regional plan, in accordance with the annual regional planning process as described in Section I.D.1.b. of this Attachment FF, and in accordance with the regional planning principles of Section I.C of this Attachment. In addition to the local planning steps
below, Transmission Owners shall adhere to any applicable state or local regulatory planning processes.

i. Define local study area and study horizon;

ii. Develop appropriate power system models;
   a) Utilize existing NERC or Transmission Provider cases to model external systems;
   b) Insert detailed model of Transmission Owner system if required;
   c) Insert updated detailed models of neighboring system models if required; and
   d) Verify model topology and generation.

iii. Update loads (spatial and magnitude) in study area;
   a) Review historical MW and MVAR data to develop growth trends;
   b) Obtain Load forecasts from customers in study area; and
   c) Obtain input from local distribution planners in the study area.

iv. Perform contingency analysis using applicable Transmission Owner planning criteria;

v. Identify any violations to planning criteria for each of study period;

vi. Develop alternative solutions to the criteria violations and test against the planning criteria;
   a) Obtain cost estimates for each alternative and perform economic analyses; and
b) Determine non-cost attributes of each alternative such as operating flexibility, robustness, among others.

vii. Select alternative based on cost and non-cost attributes;

viii. Submit proposed solution and list of alternatives and assumptions to the Transmission Provider;

ix. Participate in stakeholder evaluations and discussions as a part of annual regional plan development process;

x. Perform additional analysis as required based on feedback from stakeholder groups (SPM/PS) in the regional planning process;

xi. Submit results of additional analysis (if performed) to the Transmission Provider for further discussion with stakeholders (SPM/PS);

xii. Consider regional planning process results, including stakeholder feedback on needs, proposed solutions, and alternatives, in determining whether or not to proceed with implementation of Transmission Owner proposed expansions; and

xiii. Post the planning criteria and assumptions, and power flow models used in development of each Transmission Owner’s current local planning proposal in accordance with Section I.D.1.b below. To the extent that the Transmission Owner uses the MISO MTEP models in developing its list of newly proposed projects, the Transmission Owner shall indicate as per Section I.D.1.b. below, the associated MTEP model used.

The Transmission Provider will maintain a link to applicable MTEP models on its website together with instructions for accessing such models consistent with CEII
criteria and suitable non-disclosure agreements. In the event that the Transmission Owner applies its own power flow models in developing its proposed local plans, the Transmission Owner shall provide such models to the Transmission Provider for posting, or shall provide to the Transmission Provider a link to the location of such Transmission Owner model(s) and to instructions for accessing such models consistent with the Transmission Owner’s CEII and non-disclosure requirements. Transmission Provider shall post on its website links to such postings on Transmission Owner’s website.

b. Integration of Local Planning Processes of Transmission Owners: Transmission Owners listed on Attachment FF-4 as integrating local planning processes with those of the Transmission Provider, shall integrate proposals for transmission expansions into the regional planning process as follows. Each Transmission Owner shall submit its proposals for transmission plans to the Transmission Provider prior to the start of each regional planning cycle. Each Transmission Owner’s local plan, which consists of a list of proposed projects, shall be made available on the Transmission Provider’s website for review by the PAC, the PS, and the SPM participants, subject to CEII and the confidentiality provisions in this Attachment FF. Such local plans shall be posted by September 15 each year in order to provide time for written comments by stakeholders. In addition to the list of proposed projects, each Transmission Owner submitting newly proposed projects by September 15 in any MTEP annual cycle shall provide to the Transmission Provider by June 1 of the same year identification of any MISO base power flow model used by the Transmission Owner in support of the identification of the list of
proposed projects to be subsequently posted in September, or in the event that the
Transmission Owner uses a non-MISO base power flow model in support of the
identification of the list of proposed projects the Transmission Owner shall provide to the
Transmission Provider such base power flow model or a link to the power flow model
and assumptions used.

Each Transmission Owner’s local planning model and associated assumptions shall be
accessible on or through a link on the Transmission Provider’s website for review,
subject to CEII and the confidentiality provisions in this Attachment FF and consistent
with section I.D.1.a. In the event that the Transmission Owner uses a non-MISO base
power flow model, the Transmission Owner shall provide for posting updates if there are
significant changes in the model by July 15, August 15, and September 15 of each year.

Comments by stakeholders on the local planning models and assumptions that are
provided to the Transmission Provider SPM Planning Contact by July 1, or August 1 or
September 1 with respect to updates, shall be forwarded to the applicable Transmission
Owner by July 8, August 8, or September 8, respectively. The Transmission Provider
shall address any unresolved stakeholder issues through the SPM process.

Each Transmission Owner shall also provide to the Transmission Provider by June 1 of
each year any updates to the posted transmission planning criteria, or a notification that
the posted documents have not changed. In the event a Transmission Owner has
additional significant updates to the posted transmission planning criteria, the
Transmission Owner shall provide such updates for posting by July 15, August 15, and
September 15 of each year.
The Transmission Provider shall post on its website the lists of newly proposed projects, criteria and assumptions, and supporting base power flow models or links to supporting base power flow models, as provided by the Transmission Owners. Initial comments by stakeholders to the proposed projects should be provided to the Transmission Provider SPM Planning Contact 45 days after the posting of local plans otherwise comments may be made pursuant to Section I.C.2.c.ii. The Transmission Provider SPM Planning Contact shall be identified on the Transmission Provider’s web site page devoted to Expansion Planning. The Transmission Provider shall provide to the applicable Transmission Owner within five working days of receipt, a copy of all stakeholder comments received within 45 days of the posted information regarding Transmission Owner planning criteria and assumptions, models applied, and list of proposed projects. The Transmission Provider shall address any unresolved stakeholder issues through the SPM process. Each Transmission Owner must participate in SPMs in the respective Planning sub-region as indicated in the Transmission Providers meeting schedule. Such SPMs shall provide input to and review of the results of the needs assessments and adequacy of plans proposed by the Transmission Owners, or by stakeholders to the planning process, or by the Transmission Provider, to best meet the needs of the sub-region.

Transmission Owners identified in Attachment FF-4, must submit to the Transmission Provider, on an annual basis and at a time to be determined by the Transmission Provider, which shall be prior to the beginning of each regional planning cycle, all proposed transmission plans for both transferred and non-transferred transmission facilities. The
submitted projects of such Transmission Owners shall be considered potential
alternatives to system needs identified, and as such must be submitted when initially
identified as a potential system solution, in order to permit the evaluation of such projects
along with other potential alternatives that may be proposed by stakeholders or the
Transmission Provider, in the SPM processes. Such alternatives may include
transmission, generation, and demand-side resources. The Transmission Provider will
review and evaluate such alternatives on a comparable basis and select the most
appropriate solution. Comparability includes the ability of the Transmission Provider to
obtain contractual assurances that the selected solution will be implemented by the
required in-service dates. Contractual commitments associated with the construction of
an MTEP Appendix A approved project by MISO Transmission Owner(s) and/or
Selected Transmission Developer(s) are provided for by the ISO Agreement, this Tariff,
and the Binding Proposal Agreement.
Contractual commitments associated with generation solutions require that a generator
interconnection agreement be filed with the Commission pursuant to Attachment X of
this Tariff by the time the alternative transmission solution would need to be committed
to in order to ensure installation on the required need date. Contractual commitments
associated with demand-side resource solutions require demonstration to the
Transmission Provider of an executed contract between LSE and End-Use Customers.
Such demand-side contracts must be in place by the time that the transmission solution
would otherwise need to be committed to in order to ensure a timely solution to the
identified planning need, and must span the five year planning horizon to ensure the
ability to provide adequate lead time for an alternative transmission solution should the demand contracts terminate. Notwithstanding the provisions of Section VII of the ISO Agreement regarding the Transmission Provider review of Transmission Owner plans, no proposed project of a Transmission Owner that has elected to integrate their local planning processes into the Transmission Provider’s processes, as indicated on Attachment FF-4, shall be recommended in the MTEP for implementation until completion of the annual needs analysis carried out in the annual MTEP cycle, as described in Section I.C. of this Attachment FF, except as provided for in Section I.D.1.c. of this Attachment FF.

c. Out-of-Cycle Review of Transmission Owner Plans: In the event that a Transmission Owner determines that system conditions warrant the urgent development of system enhancements that would be jeopardized unless the Transmission Provider performs an expedited review of the impacts of the project, Transmission Provider shall use a streamlined approval process for reviewing and approving projects proposed by the Transmission Owners so that decisions will be provided to the Owner within thirty (30) days of the projects submittal to the MISO unless a longer review period is mutually agreed upon.

2. Transmission Owners Filing Separate Attachment K: Some Transmission Owners as listed on the last page of Attachment FF-4 have developed individual open, local planning processes for their facilities, that comply with the Planning Principles of the Order 890 Final Rule. These Transmission Owners have an Attachment K that describes how the Transmission Owner will comply with the Order No. 890 Planning Principles for all transmission facilities that
they plan for, regardless of whether those facilities are ultimately transferred to the functional control of the Transmission Provider. With the exception of Sections I.D.1.a and I.D.1.b., the provisions of this Attachment FF remain applicable to all Transmission Owners notwithstanding the filing by any Transmission Owner of an Attachment K pursuant to the Order 890 Final Rule.

E. **Interregional Coordination and Cost Allocation:** The MTEP shall be developed in accordance with the principles of interregional coordination through collaboration with representatives from adjacent transmission providers, their designated regional planning organizations, or regional transmission organizations, as provided for in this Attachment FF, or as otherwise provided for in existing joint agreements between the Transmission Provider and other regional entities that engage in planning activities. The Transmission Provider has developed region-specific interregional coordination and cost allocation provisions with regard to the following neighboring transmission planning regions:

- **PJM Interconnection, L.L.C. (“PJM”),** as provided for under Article IX and other applicable provisions of the Joint Operating Agreement between the Transmission Provider and PJM, as may be amended from time to time, including revisions the effective date of which is pending Commission approval in Docket No. ER13-1943-000;

- **Southeastern Regional Transmission Planning (“SERTP”),** as provided for under Section X of this Attachment FF, the effective date of which is pending Commission approval in Docket No. ER13-1923-000; and

- **Southwest Power Pool (“SPP”),** as provided for under Article IX and other applicable provisions of the Joint Operating Agreement between the Transmission Provider and SPP, as
may be amended from time to time, including revisions the effective date of which is pending
Commission approval in Docket No. ER13-1938-000;

The Transmission Provider also has planning coordination provisions as part of its coordination agreement with Manitoba Hydro.

The following interregional coordination provisions shall continue to apply with regard to interregional coordination activities between the Transmission Provider and the Mid Continent Area Power Pool (“MAPP”) transmission planning region. Moreover, the following interregional coordination provisions shall remain in effect for interregional coordination activities between the Transmission Provider and the SERTP transmission planning region until the Commission approves and grants an effective date for the SERTP interregional coordination and cost allocation filing pending in Docket No. ER13-1923-000.

1. Initial Contact: The Transmission Provider will initiate a meeting with representatives of adjacent transmission providers, their designated regional planning organizations, or regional transmission organizations with which existing joint agreements are not already established with the Transmission Provider (“Regional Planning Coordination Entities” or “RPCEs”), in order to establish a Joint Planning Committee.

2. Joint Planning Committee. The Transmission Provider shall offer to form a Joint Planning Committee (“JPC”) with the RPCE. The JPC shall be comprised of representatives of the Transmission Provider and the RPCE in numbers and functions to be identified from time to time. The JPC may combine with or participate in similarly established joint planning committees amongst multiple RPCEs or established under joint
agreements to which the Transmission Provider is a signatory, for the purpose of providing for broader and more effective inter-regional planning coordination. The JPC shall have a Chairman. The Chairman shall be responsible for: the scheduling of meetings; the preparation of agendas for meetings; the production of minutes of meetings; and for chairing JPC meetings. The Chairmanship shall rotate amongst the Transmission Provider and the RPCEs on a mutually agreed to schedule, with each party responsible for the Chairmanship for no more than one planning study cycle in succession. The JPC shall coordinate planning of the systems of the Transmission Provider and the RPCEs, including the following:

a. Coordinate the development of common power system analysis models to perform coordinated system planning studies including power flow analyses and stability analyses. For studies of interconnections in close electrical proximity at the boundaries among the systems of the Transmission Provider and the RPCEs the JPC or its designated working group will coordinate the performance of a detailed review of the appropriateness of applicable power system models.

b. Conduct, on a regular basis, a Coordinated Regional Transmission Planning Study (CRTPS), as set forth in Section 8.3.4.

c. Coordinate planning activities under this Section 8, including the exchange of data and developing necessary report and study protocols.

d. Maintain an Internet site and e-mail or other electronic lists for the communication of information related to the coordinated planning process. Such sites
and lists may be integrated with those existing for the purpose of communicating the
open and transparent planning processes of the Transmission Provider.

e. Meet at least semi-annually to review and coordinate transmission planning
activities.

f. Establish working groups as necessary to address specific issues, such as the
review and development of the regional plans of the RPCE and the Transmission
Provider, and localized seams issues.

g. Establish a schedule for the rotation of responsibility for data management,
coordination of analysis activities, report preparation, and other activities.

3. Data and Information Exchange. The Transmission Provider shall make available to each
RPCE the following planning data and information. Unless otherwise indicated, such data and
information shall be provided annually. The Transmission Provider shall provide such data in
accordance with the applicable CEII policy, and maintain data and information received from
each RPCE in accordance with their applicable confidentiality policies.

a. Data required for the development of power flow cases, and stability cases,
incorporating up to a ten year load forecasts as may be requested, including all critical
assumptions that are used in the development of these cases.

b. Fully detailed planning models (up to the next ten (10) years as requested) on an
annual basis and updates as necessary to perform coordinated studies that reflect system
enhancement changes or other changes.
c. The regional plan documents, any long-term or short-term reliability assessment documents, and any operating assessment reports produced by the Transmission Provider and the RPCE.

d. The status of expansion studies, system impact studies and generation interconnection studies, such that the Transmission Provider and the RPCE have knowledge that a commitment has been made to a system enhancement as a result of any such studies.

e. Transmission system maps for the Transmission Provider and the RPCE bulk transmission systems and lower voltage transmission system maps that are relevant to the coordination of planning between or among the systems.

f. Contingency lists for use in load flow and stability analyses, including lists of all contingency events required by applicable NERC or Regional Entity planning standards, as well as breaker diagrams for the portions of the Transmission Provider and the RPCE transmission systems that are relevant to the coordination of planning between or among the systems. Breaker diagrams to be provided on an as requested basis.

g. The timing of each planned enhancement, including estimated completion dates, and indications of the likelihood that a system enhancement will be completed and whether the system enhancement should be included in system expansion studies, system impact studies and generation interconnection studies, and as requested the status of related applications for regulatory approval. This information shall be provided at the completion of each planning cycle of the Transmission Provider, and more frequently as necessary to indicate changes in status that may be important to the RPCE system.
h. Quarterly identification of interconnection requests that have been received and any long-term firm transmission services that have been approved, that may impact the operation of the Transmission Provider or the RPCE system.

i. Quarterly, the status of all interconnection requests that have been identified.

j. Information regarding long-term firm transmission services on all interfaces relevant to the coordination of planning between or among the systems.

k. Load flow data initially will be exchanged in PSS/E format. To the extent practical, the maintenance and exchange of power system modeling data will be implemented through databases. When feasible, transmission maps and breaker diagrams will be provided in an electronic format agreed upon by the Transmission Provider and the RPCE. Formats for the exchange of other data will be agreed upon by the Transmission Provider and the RPCE.

4. Coordinated System Planning. The Transmission Provider shall agree to coordinate with the RPCEs studies required to assure the reliable, efficient, and effective operation of the transmission system. Results of such coordinated studies will be included in the Coordinated System Plan. The Transmission Provider shall agree to conduct with the RPCEs such coordinated planning as set forth below

a. Single Entity Planning. The Transmission Provider shall engage in such transmission planning activities, including expansion plans, system impact studies, and generator interconnection studies, as necessary to fulfill its obligations under the Tariff. Such planning shall conform to applicable reliability requirements of NERC, applicable regional reliability councils, and any successor organizations thereto.
Such planning shall also conform to any and all applicable requirements of Federal or State regulatory authorities. The Transmission Provider will prepare a regional transmission planning report that documents the procedures, methodologies, and business rules utilized in preparing and completing the report. The Transmission Provider shall agree to share the transmission planning reports and assessments with each RPCE, as well as any information that arises in the performance of its individual planning activities as is necessary or appropriate for effective coordination among the Transmission Provider and the RPCEs on an ongoing basis. The Transmission Provider shall provide such information to the RPCEs in accordance with the applicable CEII policy and shall maintain such information received from the RPCEs in accordance with their applicable confidentiality policies.

b. Analysis of Interconnection Requests. In accordance with the procedures under which the Transmission Provider provides interconnection service, the Transmission Provider will agree to coordinate with each RPCE the conduct of any studies required in determining the impact of a request for generator or merchant transmission interconnection. Results of such coordinated studies will be included in the impacts reported to the interconnection customers as appropriate. Coordination of studies shall include the following:

i. When the Transmission Provider receives a request under its interconnection procedures for interconnection, it will determine whether the interconnection potentially impacts the system of a RPCE. In that event, the Transmission Provider will notify the RPCE and convey the
information provided in the interconnection queue posting. The Transmission Provider will provide the study agreement to the interconnection customer in accordance with applicable procedures.

ii. If the RPCE determines that it may be materially impacted by an interconnection on the Transmission Provider System, the RPCE may request participation in the applicable interconnection studies. The Transmission Provider will coordinate with the RPCE with respect to the nature of studies to be performed to test the impacts of the interconnection on the RPCE System, and who will perform the studies. The Transmission Provider will strive to minimize the costs associated with the coordinated study process undertaken by agreement with the RPCE.

iii. Any coordinated studies associated with requests for interconnection to the Transmission Provider’s system will be performed in accordance with the study timeline requirements and scope of the applicable generation interconnection procedures of the Transmission Provider.

iv. The RPCE may participate in the coordinated study either by taking responsibility for performance of studies of its system, if deemed reasonable by the Transmission Provider, or by providing input to the studies to be performed by the Transmission Provider. The study cost estimates indicated in the study agreement between the Transmission Provider and the interconnection customer, will reflect the costs, and the associated roles of the study participants including the RPCE. The
Transmission Provider will review the cost estimates and scope submitted by all participants for reasonableness, based on expected levels of participation, and responsibilities in the study. If the RPCE agrees to perform any aspects of the study, the RPCE must comply with the timelines and schedule of the Transmission Provider’s interconnection procedures.

v. The Transmission Provider will collect from the interconnection customer the costs incurred by the RPCE associated with the performance of such studies and forward collected amounts, no later than thirty (30) days after receipt thereof, to the RPCE. Upon the reasonable request of the RPCE, the Transmission Provider will make their books and records available to the requestor pertaining to such requests for collection and receipt of collected amounts.

vi. The Transmission Provider will report the combined list of any transmission infrastructure improvements on either the RPCE and/or the Transmission Provider’s system required as a result of the proposed interconnection.

vii. Construction and cost responsibility associated with any transmission infrastructure improvements required as a result of the proposed interconnection shall be accomplished under the terms of the applicable OATT, Transmission Service Guidelines, controlling agreements, and
consistent with applicable Federal or State regulatory policy and
applicable law.

viii. Each transmission provider will maintain separate interconnection queues.

The JPC will maintain a composite listing of interconnection requests for
all interconnection projects that have been identified as potentially
impacting the systems of the Transmission Provider and coordinating
RPCEs. The JPC will post this listing on the Internet site maintained for
the communication of information related to the coordinated system
planning process.

c. Analysis of Long-Term Firm Transmission Service Requests. In accordance with
applicable procedures under which the Transmission Provider provides long-term firm
transmission service, the Transmission Provider will coordinate the conduct of any
studies required to determine the impact of a request for such service. Results of such
coordinated studies will be included in the impacts reported to the transmission service
customers as appropriate. Coordination of studies will include the following:

i. The Transmission Provider will coordinate the calculation of ATC values
associated with the service, based on contingencies on their systems that
may be impacted by the granting of the service.

ii. When the Transmission Provider receives a request for long-term firm
transmission service, it will determine whether the request potentially
impacts the system of the RPCE. If the Transmission Provider determines
that the RPCE system is potentially impacted, and that the RPCE would
not receive a transmission service request to complete the service path, the
transmission provider will notify the RPCE and convey the information
provided in the posting.

iii. If the RPCE determines that its system may be materially impacted by
granting the service, it may contact the Transmission Provider and request
participation in the applicable studies. The Transmission Provider will
coordinate with the RPCE with respect to the nature of studies to be
performed to test the impacts of the requested service on the RPCE
system, and will strive to minimize the costs associated with the
coordinated study process. The JPC will develop screening procedures to
assist in the identification of service requests that may impact systems of
the JPC members other than the transmission provider receiving the
request.

iv. Any coordinated studies for request on the transmission Provider’s system
will be performed in accordance with the study timeline and scope
requirements of the applicable transmission service procedures of the
Transmission Provider.

v. The RPCE may participate in the coordinated study either by taking
responsibility for performance of studies of its system, if deemed
reasonable by the Transmission Provider or by providing input to the
studies to be performed by the Transmission Provider. The study cost
estimates indicated in the study agreement between the Transmission

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Provider and the transmission service customer will reflect the costs and the associated roles of the study participants. The Transmission Provider will review the cost estimates and scope submitted by all participants for reasonableness, based on expected levels of participation and responsibilities in the study.

vi. The Transmission Provider will collect from the transmission service customer, and forward to the RPCE, the costs incurred by the RPCE with the performance of such studies.

vii. The Transmission Provider receiving the request will identify any transmission infrastructure improvements required as a result of the transmission service request.

viii. Construction and cost responsibility associated with any transmission infrastructure improvements required as a result of the transmission service request shall be accomplished under the terms of the applicable OATT, Transmission Service Guidelines, controlling agreements, and consistent with applicable Federal or State regulatory policy and applicable law.

d. Coordinated Regional Transmission Planning Study: The Transmission Provider agrees to participate in the conduct of a periodic Coordinated Regional Transmission Planning Study (CRTPS). The CRTPS shall have as input the results of ongoing analyses of requests for interconnection and ongoing analyses of requests for long-term firm transmission service. The Parties shall coordinate in the analyses of these ongoing
service requests in accordance with Sections 8.3.2 and 8.3.3. The results of the CRTPS shall be an integral part of the expansion plans of each Party. Construction of upgrades on the Transmission System of the Transmission Provider that are identified as necessary in the CRTSP shall be under the terms of the Owners Agreement of the Transmission Provider, applicable to the construction of upgrades identified in the expansion planning process. Coordination of studies required for the development of the Coordinated System Plan will include the following:

i. Every three years, the Transmission Provider shall participate in the performance of a CRTPS. Sensitivity analyses will be performed, as required, during the off years based on a review by the JPC of discrete reliability problems or operability issues that arise due to changing system conditions.

ii. The CRTPS shall identify all reliability and expansion issues, and shall propose potential resolutions to be considered by The Transmission Provider and the coordinating RPCEs.

iii. As a result of participation in the CRTPS, except as provided for in Section II. A. 1., the Transmission Provider is not obligated in any way to construct, finance, operate, or otherwise support any transmission infrastructure improvements or other transmission-related projects identified in the CRTPS. Any decision to proceed with any transmission infrastructure improvements or other transmission-related projects identified in the CRTPS shall be based on the applicable reliability,
operational and economic planning criteria established for the Transmission Provider as applicable to the development of the MTEP and set forth in this Attachment FF.

iv. As a result of participation in the CRTPS, the RPCEs are not entitled to any rights to financial compensation due to the impact of the transmission plans of the Transmission Provider upon the RPCE system, including but not limited to its decisions whether or not to construct any transmission infrastructure improvements or other transmission-related projects identified in the CRTPS.

v. The JPC will develop the scope and procedure for the CRTPS. The scope of the CRTPSs performed over time will include evaluations of the transmission systems against reliability criteria, operational performance criteria, and economic performance criteria applicable to the Transmission Provider and the RPCEs.

vi. In the conduct of the CRTPS, the Transmission Provider and the coordinating RPCEs will use planning models that are developed in accordance with the procedures to be established by the JPC. Exchange of power flow models will be in a format that is acceptable to the coordinating parties.

vii. Stakeholder Review Processes. The Transmission Provider, in coordination with coordinating RPCEs shall review the scope and results of the CRTPS with impacted stakeholders, and shall modify the study
scope as deemed appropriate by the Transmission Provider in agreement with the coordinating RPCEs, after receiving stakeholder input. Such reviews will utilize the existing planning stakeholder forums of the coordinating parties including as applicable joint Sub Regional Planning Meetings.

II. Development Process for MTEP Projects: The Transmission Provider will develop the MTEP biennially or more frequently. The MTEP will identify expansion projects for inclusion in the MTEP according to the factors set forth in Appendix B of the ISO Agreement and Section I.C. of this Attachment FF. For purposes of assigning cost responsibility, expansion projects in the MTEP shall be categorized pursuant to the following criteria.

A. Reliability Needs: Reliability projects are identified either in the periodically performed Baseline Reliability Study, or in Facilities Studies associated with the request processes for new transmission access. Transmission access includes requests for both new transmission delivery service and new generation interconnection service.

1. Baseline Reliability Projects: Baseline Reliability Projects are Network Upgrades identified in the base case as required to ensure that the Transmission System is in compliance with applicable national Electric Reliability Organization (“ERO”) reliability standards and reliability standards adopted by Regional Reliability Organizations and applicable within the Transmission Provider Region. Baseline Reliability Projects include projects that are needed to maintain reliability while accommodating the ongoing needs of existing Market Participants and Transmission Customers. Baseline Reliability Projects may
consist of a number of individual facilities that in the judgment of the Transmission Provider constitute a single project for cost allocation purposes.

The Transmission Provider shall collaborate with Transmission Owning members, other transmission providers, Transmission Customers, and other stakeholders to develop appropriate planning models that reflect expected system conditions for the planning horizon. The planning models shall reflect the projected load growth of existing network customers and other transmission service and interconnection commitments, and shall include any transmission projects identified in Service Agreements or interconnection agreements that are entered into in association with requests for transmission delivery service or transmission interconnection service, as determined in Facilities Studies associated with such requests. The Transmission Provider shall test the MTEP for adequacy and security based on commonly applicable national Electric Reliability Organization (“ERO”) standards, and under likely and possible dispatch patterns of actual and projected Generation Resources within the Transmission System and of external resources, including dispatch reflective of Long-Term Transmission Rights of Transmission Customers, and shall produce an efficient expansion plan that includes all Baseline Reliability Projects determined by the Transmission Provider to be necessary through the planning horizon of the MTEP. The Transmission Provider shall obtain the approval of the Transmission Provider Board, as set forth in Section VI, for each MTEP published.
2. New Transmission Access Projects: New Transmission Access Projects are defined for the purposes of Attachment FF as Network Upgrades identified in Facilities Studies and agreements pursuant to requests for transmission delivery service or transmission interconnection service under the Tariff. New Transmission Access Projects include projects that are needed to maintain reliability while accommodating the incremental needs associated with requests for new transmission or interconnection service, as determined in Facilities Studies associated with such requests. New Transmission Access Projects may consist of a number of individual facilities, which in the judgment of the Transmission Provider constitute a single project for cost allocation purposes. New Transmission Access Projects are either Generation Interconnection Projects or Transmission Delivery Service Projects as defined in Sections II.A.2.a. and II.A.2.b. The Transmission Provider shall consider the Baseline Reliability Projects already determined to be needed in the most current MTEP, as well as any other base-case needs not associated with the request for new service that may be identified during the impact study process when determining the need for New Transmission Access Projects. Any identified base-case needs determined in the impact study process that are not a part of the Baseline Reliability Projects already identified in the most current MTEP shall become new Baseline Reliability Projects and shall be included in the next MTEP. New Transmission Access Projects identified in Facilities Studies and agreements pursuant to
requests for transmission delivery service or transmission interconnection service under this Tariff shall be included in the next MTEP.

a. Generation Interconnection Projects: Generation Interconnection Projects are New Transmission Access Projects that are associated with interconnection of new, or increase in generating capacity of existing, generation under Attachments X to this Tariff.

b. Transmission Delivery Service Projects: Transmission Delivery Service Projects are New Transmission Access Projects that are needed to provide for requests for new Point-To-Point Transmission Service, or requests under Module B of the Tariff for Network Service or a new designation of a Network Resource(s).

B. Market Efficiency Projects: Market Efficiency Projects are Network Upgrades: (i) that are proposed by the Transmission Provider, Transmission Owner(s), ITC(s), Market Participant(s), or regulatory authorities; (ii) that are found to be eligible for inclusion in the MTEP or are approved pursuant to Appendix B, Section VII of the ISO Agreement after June 16, 2005, applying the factors set forth in Section I.C. of this Attachment FF; (iii) that have a Project Cost of $5 million or more; (iv) that involve facilities with voltages of 345 kV or higher\(^1\); and that may include any lower voltage facilities of 100kV or above that collectively constitute less than fifty percent (50\%) of the combined project cost, and without which the 345 kV or higher facilities could not deliver sufficient benefit to meet the required benefit-to-cost ratio threshold for the project as established in Section II.B.1.e, or that otherwise are needed to relieve applicable reliability criteria violations that are projected to occur as a direct result of the
development of the 345 kV or higher facilities of the project; (v) that are not determined to be
Multi Value Projects; and (vi) that are found to have regional benefits under the criteria set forth
in Section II.B.1 of this Attachment FF.

1. Criteria to Determine Whether a Project Should be Included as a Market
   Efficiency Project: The Transmission Provider shall employ multiple future scenarios
   and multi-year analysis including sensitivity analyses guided by input from the Planning
   Advisory Committee to evaluate the anticipated benefits of a proposed Market Efficiency
   Project in order to determine if such a project meets the criteria for inclusion in the
   regional plan as a Market Efficiency Project eligible for regional cost sharing. Sensitivity
   analyses shall include, among other factors, consideration of: (i) variations in amount,
   type, and location of future generation supplies as dictated by future scenarios developed
   with stakeholder input and guidance; (ii) alternative transmission proposals; (iii) impacts
   of variations in load growth; and (iv) effects of demand response resources on
   transmission benefits.

1 Transformer voltage is defined by the voltage of the low-side of the transformer
   for these purposes.

The Transmission Provider shall perform this inclusion analysis as follows:

a. The Transmission Provider shall utilize a weighted futures, no loss (“WFNL”) metric to analyze the anticipated annual economic benefits of construction of a proposed
   Market Efficiency Project to Transmission Customers in each of the Local Resource
   Zones, as defined in Attachment WW, based upon adjusted production cost (“APC”) savings. APC savings will be calculated as the difference in total production cost of the
Resources in each Local Resource Zone adjusted for import costs and export revenues with and without the proposed Market Efficiency Project as part of the Transmission System. The WFNL metric for each Local Resource Zone shall be calculated using the weighted APC savings determined for each future scenario included in the analysis.

i. The WFNL metric shall utilize the future scenarios determined and identified by the Transmission Provider through the planning process, with input from all stakeholders. The weights applied to the results of each future scenario shall also be determined by the Transmission Provider with input from all stakeholders.

b. Project benefit evaluations will include benefits for the first 20 years of project life after the projected in-service date, with a maximum planning horizon of 25 years from the approval year. The annual benefit for a proposed Market Efficiency Project shall be determined as the sum of the WFNL values for each Local Resource Zone, as defined in Attachment WW. The total project benefit shall be determined by calculating the present value of annual benefits for the multiple year scenarios and multi-year evaluations.

c. The costs applied in the benefit to cost ratio shall be the present value, over the same period for which the project benefits are determined, of the annual Network Upgrade Charges for the project as determined in accordance with the formula in Attachment GG.
d. The present value calculation for both the annual benefits and annual costs will apply a discount rate representing the after-tax weighted average cost of capital of the Transmission Owners that make up the Transmission Provider Transmission System.

e. The Transmission Provider shall employ a benefit to cost ratio test to evaluate a proposed Market Efficiency Project. Only projects that meet a benefit to cost ratio of 1.25 or greater shall be included in the MTEP as a Market Efficiency Project and be eligible for regional cost sharing.

f. The benefits of the project used to determine the associated cost allocations as a percentage of project cost shall be determined one time at the time that the project is presented to the Transmission Provider Board for approval. Estimated Project Cost will be used to estimate the benefit to cost ratio and the eligibility for cost sharing at the time of project approval. To the extent that the Commission approves the collection of costs in rates for Construction Work in Progress ("CWIP") for a constructing Transmission Owner, costs will be allocated and collected prior to completion of the project.

g. The aforementioned Market Efficiency Project inclusion criteria shall be used for the exclusive purpose of determining whether projects are eligible for regional cost sharing in accordance with Section III.A.2.f below. These criteria shall not affect the existing criteria set forth in Appendix B of the ISO Agreement for determining whether projects are eligible for inclusion in the MTEP. Moreover, the costs of projects included in the MTEP, but not eligible for regional cost sharing, shall continue to be eligible for inclusion in the calculation of Transmission Owner revenue requirements under Attachment O of this Tariff.

Effective On: January 1, 2015
C. **Multi Value Projects:** A Multi Value Project is one or more Network Upgrades that address a common set of Transmission Issues and satisfy the conditions listed in Sections II.C.1, II.C.2., and II.C.3 of Attachment FF. All Network Upgrades associated with a Multi Value Project including any lower voltage facilities that may be needed to relieve applicable reliability criteria violations that are projected to occur as a direct result of the development of the Multi Value Project; may be cost shared per Section III.A.2.g of Attachment FF except for i) any Network Upgrade cost associated with constructing an underground or underwater transmission line above and beyond the cost of a feasible alternative overhead transmission line that provides comparable regional benefits, and ii) any DC transmission line and associated terminal equipment when scheduling and dispatch of the DC transmission line is not turned over to the Transmission Provider's markets, real-time control of the DC transmission line is not turned over to the Transmission Provider's automatic generation control system and/or the DC transmission line is operated in a manner that requires specific users to subscribe for DC transmission service.

1. A Multi Value Project must be evaluated as part of a Portfolio of projects, as designated in the transmission expansion planning process, whose benefits are spread broadly across the footprint.

2. A Multi Value Project must meet one of the three criteria outlined below:
   a. Criterion 1. A Multi Value Project must be developed through the transmission expansion planning process for the purpose of enabling the Transmission System to reliably and economically deliver energy in support of documented energy policy mandates or laws that have been enacted or adopted through state or federal legislation or regulatory requirement that
directly or indirectly govern the minimum or maximum amount of energy that can be generated by specific types of generation. The MVP must be shown to enable the transmission system to deliver such energy in a manner that is more reliable and/or more economic than it otherwise would be without the transmission upgrade.

b. Criterion 2. A Multi Value Project must provide multiple types of economic value across multiple pricing zones with a Total MVP Benefit-to-Cost ratio of 1.0 or higher where the Total MVP Benefit-to-Cost ratio is described in Section II.C.7 of this Attachment FF. The reduction of production costs and the associated reduction of LMPs resulting from a transmission congestion relief project are not additive and are considered a single type of economic value.

c. Criterion 3. A Multi Value Project must address at least one Transmission Issue associated with a projected violation of a NERC or Regional Entity standard and at least one economic-based Transmission Issue that provides economic value across multiple pricing zones. The project must generate total financially quantifiable benefits, including quantifiable reliability benefits, in excess of the total project costs based on the definition of financial benefits and Project Costs provided in Section II.C.7 of Attachment FF.

3. All of the following conditions must be satisfied in order for a project to be classified as a Multi Value Project:
a. Facilities associated with the transmission project must not be in service, under construction, or approved for construction by the Transmission Provider Board prior to July 16, 2010 or the date a Transmission Owner becomes a signatory member of the ISO Agreement, whichever is later. This section II.C.3.a shall not preclude the Multi Value Project classification of an Open Transmission Project that makes a Selected Transmission Developer eligible to become a Transmission Owner.

b. The transmission project must be evaluated through the Transmission Provider's transmission planning process and approved for construction by the Transmission Provider Board prior to the start of construction, where construction does not include preliminary site and route selection activities.

c. The transmission project must not contain any transmission facilities listed in Attachment FF-1 of this Tariff.

d. The total capital cost of the transmission project must be greater than or equal to $20,000,000.00.

e. The transmission project must include, but not necessarily be limited to, the construction or improvement of transmission facilities operating at voltages above 100 kV. A transformer is considered to operate above 100 kV when at least two sets of transformer terminals operate at voltages above 100 kV.

f. Network Upgrades driven solely by an Interconnection Request, as defined in Attachment X of the Tariff, or a Transmission Service request will not be considered Multi Value Projects.

Effective On: January 1, 2015
4. Any transmission project that qualifies as a Multi-Value Project shall be classified as an MVP irrespective of whether such project is also a Baseline Reliability Project and/or Market Efficiency Project.

5. The specific types of economic value provided by a Multi Value Project include the following:
   a. Production cost savings where production costs include generator startup, hourly generator no-load, generator energy and generator Operating Reserve costs. Production cost savings can be realized through reductions in both transmission congestion and transmission energy losses. Productions cost savings can also be realized through reductions in Operating Reserve requirements within Reserve Zones and, in some cases, reductions in overall Operating Reserve requirements for the Transmission Provider.
   b. Capacity losses savings where capacity losses represent the amount of capacity required to serve transmission losses during the system peak hour including associated planning reserve.
   c. Capacity savings due to reductions in the overall Planning Reserve Margins resulting from transmission expansion.
   d. Long-term cost savings realized by Transmission Customers by accelerating a long-term project start date in lieu of implementing a short-term project in the interim and/or long-term cost savings.
realized by Transmission Customers by deferring or eliminating the need to perform one or more projects in the future.

e. Any other financially quantifiable benefit to Transmission Customers resulting from an enhancement to the Transmission System and related to the provisions of Transmission Service.

6. Any project to facilitate like-for-like capital replacements of plant originally installed as part of a Multi Value Project where replacement is due to aging, failure, damage or relocation requirements where such replacement is not the result of negligence by the constructing Transmission Owner will be treated as a Multi Value Project. The minimum project cost limitation for Multi Value Projects described in Section II.C.3.d of Attachment FF will not apply to the like for-like capital replacement projects described in this Section.

7. The following Total MVP Benefit-to-Cost Ratio will be applied to any Multi Value Project justified solely on the basis of Sections II.C.2.b or II.C.2.c of this Attachment FF to ensure such project qualifies as a Multi Value Project:

   Total MVP Benefit-to-Cost Ratio = financial benefits / Project Costs.

   For the purpose of this calculation, Financial Benefits will be set equal to the present value of all financially quantifiable benefits provided by the project projected for the first 20 years of the project's life and Project Costs will be set equal to the present value of the annual revenue requirements projected for the first 20 years of the project's life.
8. The aforementioned Multi Value Project inclusion criteria shall be used for the exclusive purpose of determining whether projects are eligible for regional cost sharing in accordance with Section III.A.2.g below. These criteria shall not affect the existing criteria set forth in Appendix B of the ISO Agreement for determining whether projects are eligible for inclusion in the MTEP. Moreover, the costs of projects included in the MTEP, but not eligible for regional cost sharing, shall continue to be eligible for inclusion in the calculation of Transmission Owner revenue requirements under Attachment O of this Tariff.

D. Identification of Potential Impacts of a Market Efficiency Project or Multi Value Project on Neighboring Transmission Planning Region(s)

As part of the evaluation of any proposed Market Efficiency Project or Multi Value Project, the Transmission Provider will determine whether the proposed Market Efficiency Project or Multi Value Project causes any violations of NERC reliability standards on the transmission system(s) of the adjacent neighboring transmission planning region(s). If the Transmission Provider’s evaluation identifies any such violations of NERC reliability standards, the Transmission Provider will contact and coordinate with the other potentially affected adjacent neighboring transmission planning region(s) on any further evaluation.

E. Interregional Transmission Projects

An Interregional Transmission Project is one that is located in one or more transmission planning regions that addresses Transmission Issues related to reliability, economic, or public policy needs. Interregional Transmission Projects are more cost-effective and efficient compared...
to regional transmission projects addressing similar Transmission Issues. Interregional projects that address reliability needs, provide economic benefits, or address public policy needs must meet MISO’s criteria as described in Section II.A.1, Section II.B, and Section II.C respectively in addition to what is described in the respective Joint Operating Agreements or Section X of this Attachment FF:

PJM Interconnection, L.L.C. (“PJM”), as provided for under Article IX and other applicable provisions of the Joint Operating Agreement between the Transmission Provider and PJM, as may be amended from time to time, including revisions the effective date of which is pending Commission approval in Docket No. ER13-1943-000;

Southeastern Regional Transmission Planning (“SERTP”), as provided for under Section X of this Attachment FF, the effective date of which is pending Commission approval in Docket No. ER13-1923-000; and

Southwest Power Pool (“SPP”), as provided for under Article IX and other applicable provisions of the Joint Operating Agreement between the Transmission Provider and SPP, as may be amended from time to time, including revisions the effective date of which is pending Commission approval in Docket No. ER13-1938-000.

For the purposes of Attachment FF-6, Baseline Reliability Projects and Interregional Transmission Projects that meet reliability needs are jointly referred to as Baseline Reliability Projects. Market Efficiency Projects and Interregional Transmission Projects that provide economic needs are jointly referred to as Market Efficiency Projects. Multi Value Projects and Interregional Transmission Projects that meet public policy needs are jointly referred to as Multi Value Projects.
III. **Designation of Cost Responsibility for MTEP Projects:** Based on the planning analysis performed by the Transmission Provider, which shall take into consideration all appropriate input from Market Participants or external entities, including, but not limited to, any indications of a willingness to bear cost responsibility for an enhancement or expansion, the recommended MTEP shall, for any enhancement or expansion that is included in the plan, designate: (i) the Market Participant(s) in one or more pricing zones that will bear cost responsibility for such enhancement or expansion, as and to the extent provided by any applicable provision of the Tariff, including Attachments N, X, or any applicable cost allocation method ordered by the Commission; or, (ii) in the event and to the extent that no provision of the Tariff so assigns cost responsibility, the Market Participant(s) or Transmission Customer(s) in one or more pricing zones from which the cost of such enhancements or expansions shall be recovered through charges established pursuant to Attachment GG of this Tariff, or as otherwise provided for under this Attachment FF.

Any designation under clause (ii) of the preceding sentence shall be determined as provided for in Section III.A and III.B of this Attachment FF. For all such designations, the Transmission Provider shall calculate the cost allocation impacts to each pricing zone. The results will be reviewed for unintended consequences by the Transmission Provider and the Tariff Working Group and any such identified consequences shall be reported to the Planning Advisory Committee, and the OMS.

A. **Allocation of Costs Within the Transmission Provider Region**
1. Default Cost Allocation: Except as otherwise provided for in this Attachment FF, or by any other applicable provision of this Tariff and consistent with the ISO Agreement, the responsibility for Network Upgrades included in the approved MTEP will be addressed in accordance with the provisions of the ISO Agreement.

2. Cost Allocation: The Transmission Provider will designate and assign cost responsibility on a regional, and sub-regional basis for Network Upgrades identified in the MTEP subject to the grand-fathered project provisions of Section III.A.2.b.
   a. Market Participant’s Option to Fund: Notwithstanding the Transmission Provider’s assignment of cost responsibility for a project included in the MTEP, one or more Market Participants may elect to assume cost responsibility for any or all costs of a Network Upgrade that is included in the MTEP. Provided however, in the event the Market Participant is also a Transmission Owner such election of the option to fund must be made on a consistent, non-discriminatory basis.
   b. Grandfathered Projects: The cost allocation provisions of this Attachment FF shall not be applicable to transmission projects identified in Attachment FF-1, which is based on the list of projects designated as Planned Projects in the MTEP approved by the Transmission Provider Board on June 16, 2005 (MTEP 05) and some additions of proposed projects that the Transmission Provider has determined to be in the advanced stages of planning.
c. Baseline Reliability Projects: Costs of Baseline Reliability Projects shall be recovered pursuant to Attachment O of this Tariff by the Transmission Owner(s) and/or ITC(s) developing such projects, such that the Transmission Owner(s) and/or ITC(s) developing a Baseline Reliability Project shall be responsible for all of the costs of the portion of the Baseline Reliability Project that is physically located in the Transmission Owner’s and/or ITC’s pricing zone, subject to the requirements of the ISO Agreement.

d. Generation Interconnection Projects: Costs of Generation Interconnection Projects that are not determined by the Transmission Provider to be Baseline Reliability Projects, Market Efficiency Projects, or Multi-Value Projects, or Interregional Transmission Projects and the Network Upgrade costs associated with advancing a Baseline Reliability Project, Market Efficiency Project, or Multi-Value Project, or Interregional Transmission Project associated with a generator interconnection will be paid for by the Interconnection Customer(s) in accordance with Attachment X.

For Generation Interconnection Projects interconnecting to the American Transmission Company LLC transmission system, such
costs will be subject to the provision of Attachment FF – ATCLLC.

1) For Network Upgrades to facilities in voltage classes at or above 345 kV, the Interconnection Customer shall be repaid 10 percent of the costs of the Generation Interconnection Project funded by the Interconnection Customer once Commercial Operation is achieved. The Transmission Owner(s) constructing the Generation Interconnection Project will repay 10% of the Generation Interconnection Project costs associated with Network Upgrade facilities in a voltage class of 345 kV or greater to the Interconnection Customer under repayment terms consistent with the schedules and other terms of Attachment X. The 10% of the Project Cost associated with Network Upgrade facilities of voltage class 345 kV or above and repaid to the Interconnection Customer shall be allocated on a system-wide basis and recovered pursuant to Attachment GG of this Tariff.

2) An Interconnection Customer may be required to contribute to the cost of Shared Network Upgrades, as defined in Attachment X to the Tariff, that are funded by another
Interconnection Customer as a Generation Interconnection Project pursuant to Attachment X.

Each Interconnection Customer with one or more Shared Network Upgrade(s) identified in Appendix A of its Generator Interconnection Agreement shall make a one-time payment under Schedule 26-B to the Transmission Provider in accordance with the terms in the Generator Interconnection Agreement. The one-time payment will reflect the cost of the Shared Network Upgrade assigned to the Interconnection Customer as determined by the Transmission Provider.

All revenue collected by the Transmission Provider through Schedule 26-B shall be distributed to the appropriate Interconnection Customer(s).

3) The Interconnection Customer shall be entitled, pursuant to Section 46 of this Tariff, to any Financial Transmission Rights or other rights to the extent provided for under this Tariff, for any Network Upgrade costs funded by or charged to the Interconnection Customer and not subject to repayment under the provisions of this Section III.A.2.d. In the event that a Generation Interconnection Project defers or displaces a Baseline Reliability Project, the costs of the
Generation Interconnection Project up to the costs of the deferred or displaced Baseline Reliability Project shall be allocated consistent with the cost allocation for the Baseline Reliability Project.

4) International Transmission/Michigan Electric Transmission Company:

(a) For those Generation Interconnection Projects for which International Transmission Company or Michigan Electric Transmission Company, LLC, (“International” or “METC”) as Transmission Owners will be a signatory to the interconnection agreement under the terms of Attachment X of this Tariff or any successor provision of the Tariff executed by the parties after the effective date of this Attachment FF Section III.A.2.d.4, this Attachment FF Section III.A.2.d.4 shall apply.

(b) Generation Interconnection Projects: The cost of Network Upgrades for Generation Interconnection Projects that are not determined by the Transmission Provider to be Baseline Reliability Projects shall be reimbursed by the Transmission Owner as provided in this Section III.A.2.d.4.

All costs of Network Upgrades for Generation Interconnection Projects will initially be paid by the
Interconnection Customer in accordance with the terms of
the Interconnection Agreement entered into pursuant to
Attachment X of this Tariff. To the extent the
Interconnection Customer demonstrates at the time of
Commercial Operation of the Generating Facility one of the
following:

i. Generating Facility has been designated as a
   Network Resource in accordance with the
   Tariff, or

ii. Contractual commitment has been entered into
    with a Network Customer for capacity, or in the
    case of an Intermittent Resource, for energy,
    from the Generating Facility for a period of one
    (1) year or longer.

The Interconnection Customer will receive up to one
hundred percent (100%) reimbursement of reimbursable
costs within ninety (90) days of the Commercial Operation
Date, such reimbursement prorated by the percentage of the
Generating Facility capacity or annual available energy
output contracted for and as demonstrated to the
satisfaction of the Transmission Provider.
If the Interconnection Customer is unable to demonstrate to the satisfaction of the Transmission Provider at the time of Commercial Operation of the Generating Facility that the Generating Facility has met the repayment obligations set forth in Attachment FF Sections III.A.2.d.4.b.i. or III.A.2.d.4.b.ii. the Interconnection Customer shall be directly assigned 100% of the costs of the Generation Interconnection Project. The Transmission Owner may effect this direct assignment of costs by either foregoing any repayment of costs funded by the Interconnection Customer, or by electing to repay 100% of the costs under repayment terms consistent with the schedules and other terms of Attachment X. The Interconnection Customer shall be entitled, pursuant to Section 46 of this Tariff, to any Financial Transmission Rights or other rights to the extent provided for under this Tariff, for any Network Upgrade costs funded by or charged to the Interconnection Customer and not subject to repayment under the provisions of this Attachment FF Section III.A.2.d.4. In the event that a Generation Interconnection Project defers or displaces a Baseline Reliability Project, the costs of the Generation
Interconnection Project up to the costs of the deferred or displaced Baseline Reliability Project shall be allocated consistent with the cost allocation for the Baseline Reliability Project.

(c) For all amounts to be reimbursed by a Transmission Owner to an Interconnection Customer in accordance with this Attachment FF Section III.A.2.d.4, the Transmission Owner will reimburse the sums received from the Interconnection Customer in cash together with any applicable interest, in accordance with the terms of the Interconnection Agreement.

(d) Allocation of Generation Interconnection Reimbursement. For all amounts reimbursed by a Transmission Owner to an Interconnection Customer under this Attachment FF Section III.A.2.d.4, the reimbursement will be allocated as follows:

1. Projects of Voltage Below 345 kV: 50% of the applicable Project Cost for Generation Interconnection Projects with a voltage class below 345 kV shall be allocated on a sub-regional basis to all Transmission Customers in designated pricing zones. The designated
pricing zones and the sub-regional allocation of the Project Cost shall be determined on a case-by-case basis in accordance with a Line Outage Distribution Factor Table ("LODF Table") developed by the Transmission Provider which is similar in form to that attached hereto as Attachment FF-2. The LODF Table is based on Transmission System topology and Line-Outage Distribution Factors associated with the project under consideration and is used to determine the pricing zones to be included in the sub-regional allocation of the Project Cost. The percentage of the sub-regional allocation assigned to each designated pricing zone shall be determined based on the relative share between pricing zones of the sum of the absolute value of the product of the Line-Outage Distribution Factor on each Branch Facility in a pricing zone and the length in miles of the Branch Facility.
The remaining fifty percent (50%) of the reimbursement will not be subject to any regional or sub-regional cost allocation, but will be recovered by that Transmission Owner under its Attachment O transmission rate formula under this Tariff.

ii. Projects of Voltage 345 kV and Higher:

10% of the applicable Project Cost for Generation Interconnection Projects with a voltage class of 345 kV or higher shall be allocated on a system-wide basis to all Transmission Customers and recovered through a system-wide rate. 40% of the applicable Project Cost for Generation Interconnection Projects with a voltage class of 345 kV or higher shall be allocated on a sub-regional basis to all Transmission Customers in designated pricing zones. The designated pricing zones and the sub-regional allocation of the Project Cost shall be determined on a case-by-case basis in accordance with a Line Outage Distribution...
Factor Table (‘LODF Table’)) developed by
the Transmission Provider similar in form to
that attached hereto as Attachment FF-2.
The LODF Table is based on Transmission
System topology and Line-Outage
Distribution Factors associated with the
project under consideration and is used to
determine the pricing zones to be included
in the sub-regional allocation of the Project
Cost. The percentage of the sub-regional
allocation assigned to each designated
pricing zone shall be determined based on
the relative share between pricing zones of
the sum of the absolute value of the product
of the Line-Outage Distribution Factor on
each Branch Facility in a pricing zone and
the length in miles of the Branch Facility.
The remaining fifty percent (50%) of the
reimbursement will not be subject to any
regional or sub-regional cost allocation, but
will be recovered by that Transmission
e. Transmission Delivery Service Projects: Costs of Transmission Delivery Service Projects shall be assigned and recovered in accordance with Attachment N of this Tariff.

f. Market Efficiency Projects: Costs of Market Efficiency Projects shall be allocated as follows:

i) Twenty percent (20%) of the Project Cost of the Market Efficiency Project shall be allocated on a system-wide basis to all Transmission Customers and recovered through a system-wide rate.

ii) Eighty percent (80%) of the costs of the Market Efficiency Projects shall be allocated to all Transmission Customers in each of the Local Resource Zones, as defined in Attachment WW. The cost allocated to each Local Resource Zone shall be based on the relative benefit determined for each Local Resource Zone that has a positive present value of annual benefits over the evaluation period using the methodology for project benefit determination of Section II.B.1.

iii) Excessive Funding or Requirements: The Transmission Provider shall seek to identify and manage the development
of, as a part of the planning process for Market Efficiency Projects, portfolios of projects that tend to provide benefits throughout each Local Resource Zone, as defined in Attachment WW, over the planning horizon. The Transmission Provider shall analyze on an annual basis whether the project portfolios developed in accordance with this goal and the criteria in Section III. A.2.f unintentionally result in unjust or unreasonable annual capital funding requirements for any Transmission Owner or rate increases for Transmission Customers in designated pricing zones; or otherwise result in undue discrimination between the Transmission Customers, Transmission Owners, or any Market Participants; any such identified consequences shall be reported to the Planning Advisory Committee and to the Organization of MISO States. After discussing such assessments with the aforementioned stakeholder bodies, and taking into consideration the cumulative experience in applying this Attachment FF, the Transmission Provider will make a determination as to whether Tariff modifications are required, and if so file such modifications.

g. Multi Value Projects: Costs of Multi Value Projects will be allocated as follows:
i) One-hundred percent (100%) of the annual revenue requirements of the Multi Value Projects shall be allocated on a system-wide basis to Transmission Customers that withdraw energy, including External Transactions sinking outside the Transmission Provider's region, and recovered through an MVP Usage Charge pursuant to Attachment MM.

h. Treatment of Projects that meet both Baseline Reliability Project Criteria and/or New Transmission Access Project Criteria, and the Market Efficiency Project Criteria: If the Transmission Provider determines that a project designated as a Market Efficiency Project also meets the criteria to be designated as a Baseline Reliability Project and/or a New Transmission Access Project, the cost of such project shall be allocated in accordance with the Market Efficiency Project allocation procedures.

i. Interregional Transmission Projects: Costs of Interregional Transmission Projects shall be allocated as follows:

   a. Interregional Transmission Projects addressing regional reliability needs:

      i. One hundred percent (100%) of MISO’s share of the Interregional Transmission Project cost shall be allocated to all Transmission Customers in each of
the Local Pricing Zones where the reliability project(s) is avoided by the construction of the Interregional Transmission Project.

i. MISO’s share of the costs of Interregional Transmission Projects addressing reliability needs shall be recovered pursuant to Attachment O of this Tariff by the Transmission Owner(s) and/or ITC(s) developing such projects.

b. Interregional Transmission Projects providing regional economic benefits:

i. Twenty percent (20%) of MISO’s share of the Interregional Transmission Project cost shall be allocated on a system-wide basis to all Transmission Customers.

i. Eighty percent (80%) of MISO’s share of the Interregional Transmission Project costs shall be allocated to all Transmission Customers in each of the Local Resource Zones that receive benefits.

i. MISO’s share of the cost of these projects, allocated as described above, shall be recovered pursuant to Attachment GG of this Tariff by the Transmission Owners and/or ITC(s) developing such project.
Interregional Projects addressing a combination of regional public policy, reliability and/or economic needs as set forth in Sections II.C.1, II.C.2, and II.C.3 of Attachment FF:

i. One hundred percent (100%) of MISO’s share of the Interregional Transmission Project Cost shall be allocated on a system-wide basis to Transmission Customers that withdraw energy, and recovered through an MVP Usage Charge pursuant to Attachment MM by the Transmission Owners and/or ITC(s) developing such project.

Other Projects: Unless otherwise agreed upon pursuant to Section III.A.2.a. of this Attachment FF, the costs of Network Upgrades that are included in the MTEP, but do not qualify as Baseline Reliability Projects, New Transmission Access Projects, Market Efficiency Projects, or Multi-Value Projects, or Interregional Transmission Projects shall be eligible for recovery pursuant to Attachment O of this Tariff by the Transmission Owner(s) and/or ITC(s) paying the costs of such project, subject to the requirements of the ISO Agreement.
Withdrawal from MISO: A Transmission Owner that withdraws from the MISO as a Transmission Owner shall remain responsible for all financial obligations incurred pursuant to this Attachment FF while a Member of the MISO and payments applicable to time periods prior to the effective date of such withdrawal shall be honored by the MISO and the withdrawing Member.

New Transmission Owners: A new Transmission Owner joining the MISO will be responsible for the following financial obligations:

a. New Transmission Owners will not be responsible for any portion of Baseline Reliability Projects, Generation Interconnection Projects, Transmission Delivery Service Projects, or Market Efficiency Projects, or Interregional Transmission Projects that were approved prior to their entry date.

b. For Multi-Value Projects approved prior to the new Transmission Owner’s entry date, the load interconnected to the Transmission Owner’s Transmission System will be responsible for one-hundred percent (100%) of the MVP usage charge described in Attachment MM for the years following the Transmission Owner’s entry date applied to the Monthly Net Actual Energy Withdrawals for Load.
interconnected to the Transmission Owner’s Transmission System.

1. Only a Transmission Owner shall be authorized to construct and/or own transmission facilities associated with a Baseline Reliability Project, Market Efficiency Project, and/or Multi Value Project, and/or Interregional Transmission Project. For projects jointly developed between Transmission Owners and other parties the portion constructed and owned by a Transmission Owner may qualify as a Baseline Reliability Project, Market Efficiency Project, and/or Multi Value Project, and/or Interregional Transmission Project.

IV. **Merchant Transmission Project Data Requirements:** A proposed merchant transmission developer assumes all financial risk and funding requirements for developing its transmission project(s) and constructing the proposed transmission facility(ies). In order for a proposed merchant transmission developer’s facility to be interconnected to the Transmission System, it is first necessary for the impacted Transmission Owner and the Transmission Provider to analyze the reliability and operational impact of the proposed new merchant transmission facility(ies) on the Transmission System to determine if the new merchant transmission facilities can be reliably supported by the Transmission System, and if not, what Network Upgrades funded by the merchant transmission developer would be required to reliably support the proposed merchant transmission facility(ies). In order to perform the required reliability and
operational analyses, the merchant transmission developer must provide the following data to the Transmission Provider:

1. Each transmission circuit and substation, including new facilities, associated with the merchant transmission proposal;

2. Nominal operating voltage level in kV and voltage characteristics (i.e., AC or DC) for each transmission circuit associated with the merchant transmission proposal;

3. Typical and maximum MW power flow schedules, in each direction, for all proposed DC transmission circuits associated with the merchant transmission proposal;

4. Normal and emergency summer and winter load ratings for each transmission circuit associated with the merchant transmission proposal;

5. Maximum allowable positive sequence impedance for each AC transmission circuit associated with the merchant transmission proposal, when applicable;

6. List of all transmission buses associated with the merchant transmission proposal, including nominal operating voltage level in kV, voltage characteristics, and terminating transmission branches and shunts;

7. Proposed substation one-line diagrams for all new substations associated with the merchant transmission proposal, including circuit breaker and bus configuration details;

8. Load ratings, winding connections, impedances, tap data, and any other relevant information for load carrying equipment and facilities associated with the merchant transmission proposal, as applicable;

9. Modeling files to model proposed facilities and relevant new contingencies in power flow, stability, short-circuit and other relevant study models; and
(10) Any other data determined pertinent to the study by the Transmission Provider and/or interconnecting Transmission Owners for the specific merchant transmission facility proposal.

V. Designation of Entities to Construct, Implement, Own, Operate, Maintain, Repair, Restore, and/or Finance MTEP Projects: With the exception of Open Transmission Projects, for each project included in the recommended MTEP Appendix A and prior to approval by the Transmission Provider Board, the plan shall designate one or more Transmission Owners to construct, own, operate, maintain, repair, restore, and finance the recommended project, based on the planning analysis performed by the Transmission Provider and based on other input from participants, including, but not limited to, any indications of a willingness to bear cost responsibility for the project; and applicable provisions of the ISO Agreement. Regarding Open Transmission Projects, upon the determination of the Selected Transmission Developer for such projects, as set forth in Section VIII of this Attachment FF, the Transmission Provider shall update the approved MTEP Appendix A by identifying the Selected Transmission Developer for each Open Transmission Project. Should the facilities from such Open Transmission Projects not be approved by state regulatory authorities as New Transmission Facilities, but instead as upgrades to existing transmission facilities, as defined in Section VIII.C of this Attachment FF, the Transmission Provider shall update MTEP Appendix A by designating the appropriate Transmission Owner(s) to construct, own, operate, maintain, repair, restore, and finance such facilities in accordance with the ISO Agreement.

VI. Implementation of the MTEP:
A. If the Transmission Provider and any Transmission Owner’s planning representatives, or other designated entity(ies), cannot reach agreement on any element of the MTEP, the dispute may be resolved through the dispute resolution procedures provided in the Tariff, or in any applicable joint operating agreement, or by the Commission or state regulatory authorities, where appropriate. The MTEP shall have as one of its goals the satisfaction of all regulatory requirements as specified in Appendix B or Article IV, Section I, Paragraph C of the ISO Agreement.

B. The Transmission Provider shall present the MTEP, along with a summary of relevant alternative projects that were not selected, to the Transmission Provider Board for approval on a biennial basis, or more frequently if needed. The proposed MTEP shall include specific projects already approved as a result of the Transmission Provider entering into Service Agreements with Transmission Customers where such agreements provide for identification of needed transmission construction, timetable, cost, and Transmission Owner or other parties’ construction responsibilities.

C. Approval of the MTEP by the Transmission Provider Board certifies it as the Transmission Provider plan for meeting the transmission needs of all stakeholders subject to any required approvals by federal or state regulatory authorities. The Transmission Provider shall provide a copy of the MTEP to all applicable federal and state regulatory authorities. The affected Transmission Owner(s), Selected Transmission Developer(s), or other designated entity(ies), shall make a good faith effort to design, certify, and build the designated facilities to fulfill the approved MTEP. However, in the event that an MTEP Appendix A project approved by the Transmission Provider Board or the selection of the Selected Transmission Developer is
being challenged through the dispute resolution procedures under this Tariff or in court proceedings, the obligation of the Transmission Owners, or other designated entity(ies), to build that specific project (subject to required approvals) is waived until the approved project emerges from the dispute resolution procedures. The Transmission Provider Board shall allow the Transmission Owners, or other designated entity(ies), to optimize the final design of specific facilities and their in-service dates if necessary to accommodate changing conditions, provided that such changes comport with the approved MTEP and provided that any such changes are accepted by the Transmission Provider through the reevaluation process described in Section VI of this Attachment FF, as necessary. Any disagreements concerning such matters shall be subject to the dispute resolution procedures of this Tariff.

D. The Transmission Provider shall assist the affected Owner(s), Selected Transmission Developer(s), or other designated entity(ies), in justifying the need for, and obtaining certification of, any facilities required by the approved MTEP by preparing and presenting testimony in any proceedings before state or federal courts, regulatory authorities, or other agencies as may be required. The Transmission Provider shall publish annually, and distribute to all Members and all appropriate state regulatory authorities, a five-to-ten-year planning report of forecasted transmission requirements. Annual reports and planning reports shall be available to the general public upon request.

VII. Multi-Value Project Costs and Benefits Review and Reporting

A. Frequency and Reporting of Multi-Value Project Review: Every three (3) years, as provided below and in the Business Practices Manual for Transmission Planning, the Transmission Provider shall conduct a review of the cumulative costs and
benefits associated with MVPs, and shall disseminate the results of such reviews to its stakeholders. The Transmission Provider shall use the review process and results to identify potential modifications to the MVP methodology and its implementation for projects to be approved at a future date.

1. **Triennial Full MVP Review**: Beginning with the MTEP for 2014 (“MTEP 14”), and every third year thereafter, the Transmission Provider shall conduct a full MVP review, as provided in section VII.B of this Attachment FF.

2. **Annual Limited MVP Review**: Beginning with the MTEP for 2015 (“MTEP 15”), and each year thereafter when there is no full MVP review, the Transmission Provider shall conduct a limited MVP review, as provided in section VII.C of this Attachment FF.

3. **Calculation of Costs and Benefits**: The Triennial Full MVP Reviews and the Annual Limited MVP Reviews shall calculate costs and benefits on a forward-looking basis over both twenty (20)-year and forty (40)-year periods. The costs calculation shall use updated project costs and in-service dates provided in the latest MTEP quarterly status report, and the benefits calculation shall use updated future scenarios from the latest MTEP planning cycle. The results of the costs and benefits calculation shall be provided for each Local Resource Zone as defined in RAR. If the Local Resource Zones as defined in accordance with RAR are modified, the Transmission Provider, working with stakeholders, may define different Local Resource Zones for purposes of reporting the results of the review. The definition of different Local Resource Zones in connection with reporting the
results of the review will be detailed in the Business Practices Manual for Transmission Planning.

4. Dissemination of the Results of the Full and Limited MVP Reviews: Within a reasonable time after completion of each MVP review, the Transmission Provider shall disseminate the results of and supporting analysis for the MVP review through: (a) publication in the MTEP; (b) posting on the appropriate section of the Transmission Provider’s public website; and (c) presentation to the appropriate stakeholder committees.

B. Scope of Full Multi-Value Project Review: Each full MVP review shall at a minimum include the following:

1. Quantitative Benefits: Analysis of the quantifiable economic benefits resulting from the addition of MVPs, including, but not limited to:
   a. Congestion and Fuel Savings: Savings from increased access to lower cost Resources;
   b. Decreased Operating Reserves: Savings associated with lower Operating Reserve requirements;
   c. Decreased System Planning Reserve Margin: Savings associated with deferred generation investment due to a reduction in the system-wide Planning Reserve Margin; and
   d. Decreased Transmission Line Losses: Savings associated with deferred generation investment due to a reduction in the Capacity required to serve transmission losses during peak hours, to the extent that MVPs reduce
such losses.

2. **Public Policy and Other Qualitative Benefits:** Analysis of the public policy and other qualitative benefits accruing from MVPs, such as newly interconnected wind units; and an increase in the percentage of the Transmission Provider’s Energy needs being supplied by wind and/or other renewable resources, and wind curtailments.

3. **Historical Data:** Provision, beginning with the MTEP for 2017 (“MTEP 17”), and based on the historical data available to the Transmission Provider for the five (5) prior years, of information on certain additional market trend metrics including, but not limited to:
   a. Congestion costs;
   b. Energy prices;
   c. Fuel costs;
   d. Planning Reserve Margin requirements;
   e. Number of newly interconnected Resources, by Resource type; and
   f. The share of the Transmission Provider’s Energy supplied, by Resource type.

C. **Scope of Limited Multi-Value Project Review:** Each limited MVP review shall at a minimum include the items described in Sections VII.B.1.a and VII.B.3 of this Attachment FF, as well as project costs and in-service dates, based on the latest available data for the current year, in preparation for the next full MVP review.
VIII. Transmission Developer Qualification and Selection

A. Applicability

(1) **State or Local Rights of First Refusal.** The Transmission Provider shall comply with any Applicable Laws and Regulations granting a right of first refusal to a Transmission Owner. The Transmission Owner will be assigned any transmission project within the scope, and in accordance with the terms, of any Applicable Laws and Regulations granting such a right of first refusal. These Applicable Laws and Regulations include, but are not limited to, those granting a right of first refusal to the incumbent Transmission Owner(s) or governing the use of existing developed and undeveloped right of way held by an incumbent utility.

(2) **Upgrades to Existing Transmission Facilities.** A Transmission Owner shall have the right to develop, own and operate any upgrade to a transmission facility owned by the Transmission Owner, in accordance with this Tariff and the ISO Agreement.

2.1 **Upgrades to Existing Transmission Lines.** Upgrades to existing transmission line facilities include any expansion, replacement or modification, for any purpose, made to existing transmission line facilities that are classified as transmission plant and owned by one or more Transmission Owners, for reasons including, but not limited to:

(a) increasing the load capability of the transmission line or an associated circuit;
(b) increasing the nominal operating voltage of the transmission line or an associated circuit;

(c) installing additional plant on an existing overhead or underground transmission line facility, such as, but not limited to:

i. plant associated with an additional circuit installed on spare structure positions;

ii. additional structures to increase a sag limit or for other purposes;

iii. a sectionalizing switch installed on an existing transmission line circuit regardless of whether or not it is installed on an existing structure; and

iv. any other plant additions to existing transmission line facilities.

(d) any requirement or request to relocate transmission line facilities owned by an incumbent Transmission Owner where the purpose of the relocation is not part of the core scope of an Open Transmission Project, including, but not limited to, relocations driven by aesthetics, highway expansion projects, other infrastructure expansion projects, projects to improve the reliability or performance of the Transmission System, projects to reduce the cost to operate and maintain the Transmission System, projects to interconnect new generation and load, and projects to accommodate the relocation of an existing substation;

(e) any requirement or request to relocate existing transmission line facilities owned by an incumbent Transmission Owner to accommodate New
Transmission Line Facilities associated with an Open Transmission Project, where such construction of the New Transmission Line Facilities requires or requests use of the incumbent Transmission Owner’s right-of-way and, as a result, also requires or requests transfer of the existing transmission facilities to alternative right-of-way or an alternative position on the same right-of-way based on either mutual consent of the incumbent Transmission Owner and Selected Transmission Developer and/or the outcome of a state regulatory proceeding or court action;

(f) functionally equivalent capital replacement of any portion of an existing transmission line facility due to aging, deterioration, damage, poor performance, aesthetics, high operating and maintenance costs, or other similar reasons;

(g) replacing one or more existing components of any existing transmission line facility, such as, but not limited to:
   i. replacing existing conductors with higher capacity conductors or better performing conductors;
   ii. replacing existing structures;
   iii. replacing insulators rated at a specific voltage with insulators rated at a higher voltage;
   iv. replacing aging or defective components associated with the existing transmission line;

(h) improving the performance or characteristics of the existing transmission
(i) converting an existing overhead transmission line to an underground transmission line on the same right-of-way and/or converting an existing underground transmission line to an overhead transmission on the same right-of-way;

(j) improving land and land rights booked under the Commission’s Uniform System of Accounts, Account Nos. 105, 350, and/or 380; or

(k) any other modifications to existing transmission facilities.

2.1.1 Installation of Additional Transmission Circuits on Existing Transmission Lines. If an Open Transmission Project includes developing a new transmission circuit and either the project scope or subsequent state or local regulatory proceedings determine that all or a portion of the circuit must be installed on an existing transmission line that is part of the Transmission System (i.e., co-located with existing transmission circuits on the same structures), the following rules will be used to determine what constitutes an upgrade:

a) If the structures associated with the existing transmission line are multi circuit structures and have spare positions to accommodate installation of one or more additional transmission circuit(s), installation of the new transmission circuit(s) on these spare structure positions will be
b) If the structures associated with the existing transmission line can be expanded to accommodate installation of one or more additional transmission circuit(s), expansion of the structure and installation of the new transmission circuit(s) will be considered an upgrade.

c) If the structures associated with the existing transmission line are not multi circuit structures and cannot be expanded to accept additional circuits, do not have sufficient spare structure positions available to accommodate the new transmission circuit(s), or have spare structure positions that are reserved for future use by the incumbent Transmission Owner and not available for the new transmission circuit(s) in question, it will be necessary to rebuild the existing transmission line to accommodate one or more additional transmission circuits. Under this scenario, acquisition of additional right-of-way (if necessary), removal of the existing transmission line plant, construction of new transmission line structures, and transfer or replacement of the existing transmission line conductors, insulators, and shield wires will be considered an upgrade. Installation of new conductors and insulators...
associated with the new transmission circuit(s) will not be considered an upgrade. Therefore, the incumbent Transmission Owner will have the right of first refusal to engineer, construct, own, operate, restore, maintain, and collect revenue on all transmission plant associated with rebuilding the existing transmission line that is booked to Account Nos. 350, 352, 353, 354, 355, 357, 359, and 359.1 of the Commission’s Uniform System of Accounts in accordance with such Uniform System of Accounts. Furthermore, the incumbent Transmission Owner will have the right of first refusal to engineer, construct, own, operate, restore, maintain, and collect revenue on all plant associated with existing transmission circuits that is booked to Account Nos. 356 and 358 of the Commission’s Uniform System of Accounts in accordance with such Uniform System of Accounts. In addition, the incumbent Transmission Owner will have the right of first refusal to engineer, construct, own, operate, maintain, and collect revenue on all shield wires associated with the existing transmission line that is booked to Account No. 356 of the Commission’s Uniform System of Accounts in accordance with such Uniform System of Accounts, except for any
shield wire that consists of fiber optic cable and is intended
to facilitate communications to support protection of the
new transmission circuit(s) where the associated protective
relay schemes at all terminals associated with the new
transmission circuit(s) will be owned by the Selected
Transmission Developer in accordance with the provisions
of Attachment FF that govern whether or not substation
improvements are considered an upgrade. The Selected
Transmission Developer will have the right to engineer,
design, own, operate, restore, maintain, and collect revenue
on all plant associated with the new transmission circuit(s)
that is booked to Account Nos. 356 and 358 of the
Commission’s Uniform System of Accounts in accordance
with such Uniform System of Accounts and any shield wire
that consists of fiber optic cable and is intended to facilitate
communications to support protection of the new
transmission circuit(s) where the associated protective relay
schemes at all terminals associated with the new
transmission circuit(s) will be owned by the Selected
Transmission Developer in accordance with the provisions
of Attachment FF that govern whether or not substation
improvements are considered an upgrade. In such cases
where an incumbent Transmission Owner and a Selected Transmission Developer both own plant associated with a rebuilt existing transmission line, each party will have the right to allocate their respective costs (i.e., revenue requirements for its portion of the investment) in accordance with the cost allocation provisions of this Tariff for Multi Value Projects or Market Efficiency Projects as appropriate. Furthermore, such parties shall, in good faith, develop, negotiate, and execute a joint-use agreement for these facilities that governs responsibilities (including who incurs associated costs) for permitting, engineering, construction, operations, maintenance, restoration, and facility access and file such executed agreement with the Commission, and submit a copy to the Transmission Provider. However, there is no obligation on the incumbent Transmission Owner to provide project implementation and/or operations and maintenance services to the Selected Transmission Developer for the Selected Transmission Developer’s portion of the facility, nor is there any obligation on the Selected Transmission Developer to provide project implementation and/or operation and maintenance services to the incumbent
Transmission Owners for the incumbent Transmission Owner’s portion of the facility, other than the mutual coordination of activities.

2.2 **Upgrades to Existing Substations.** Upgrades to existing substations include any expansions, replacements or modifications made, in part or in whole, to any existing substation or portion thereof that is owned by one or more Transmission Owners, and where some or all of the plant within the existing substation is classified as transmission plant. These upgrades include, but are not limited to:

(a) replacing facilities and/or equipment within an existing substation footprint;

(b) installing additional plant within an existing substation footprint;

(c) modifying facilities and/or equipment within an existing substation footprint;

(d) expanding an existing substation footprint within the existing substation site boundaries and installing additional plant within the expanded area;

(e) acquiring additional land adjacent to the existing substation in conjunction with installation of additional plant within the boundaries of this additional land, including facilities to interconnect such plant to the existing substation plant; and

(f) developing an additional footprint near the existing substation to
facilitate effective expansion of the existing substation as further described below in section 1.2.2.

2.2.2 Construction of a new substation footprint near an existing substation to facilitate expansion of the existing substation is considered an upgrade and is necessary when the transmission project calls for expansion of the existing substation and there is not sufficient space for such expansion. Upgrades through development of a second substation footprint can be accomplished in one of two ways. First, a second substation footprint can be developed near the existing substation footprint, and the two substation footprints will function electrically as a single substation and will be interconnected by bus extensions or connectors. An example would be expanding an existing substation that is landlocked by public roadways by developing a second substation footprint on the other side of one of the roads and then installing an overhead single span connector which would function as a substation bus to interconnect the two substation footprints. Second, an existing substation could be retired for many reasons such as but not limited to: lack of room for future expansions, physical conditions such as soil subsidence, earthquake reinforcement requirements, to prevent flood damage, regulatory/public necessity/economic reasons, and other similar factors. A new substation could be developed nearby on a different site and all transmission circuits into the existing substation could be rerouted.
to the new site, which is essentially the relocation of an existing substation. These scenarios represent upgrades to an existing substation when the intent of the transmission project produced by the transmission planning process is to expand the existing substation rather than develop a new substation or to relocate an existing substation for reasons not related to implementation of a regionally cost shared transmission project.

B. Transmission Developer Qualification

(1) **Qualified Transmission Developers.** Only Qualified Transmission Developers may submit New Transmission Proposals in response to Transmission Proposal Requests posted by the Transmission Provider for Open Transmission Projects. A Qualified Transmission Developer Applicant will be designated a Qualified Transmission Developer through an annual prequalification process. A Qualified Transmission Developer Applicant must be certified, by the Transmission Provider, as a Qualified Transmission Developer at the time a Transmission Proposal Request is posted in order to be eligible to submit a New Transmission Proposal. The Transmission Provider will maintain a list of Qualified Transmission Developers on its website that will be updated within thirty (30) days of the conclusion of the annual prequalification process described in Section VIII.B.2 of this Attachment FF.

(2) **Prequalification Process.** The annual prequalification process will be used by the Transmission Provider to: i) process Transmission Developer
Applications; ii) certify, as a Qualified Transmission Developer, each
Qualified Transmission Developer Applicant that meets the qualification
requirements; iii) remove Qualified Transmission Developers from the
Qualified Transmission Developer list upon request to do so by such Qualified
Transmission Developer; and iv) confirm that existing Qualified Transmission
Developers continue to meet applicable eligibility requirements and remove
them from the Qualified Transmission Developer list if they no longer meet
eligibility requirements.

a) **New Qualified Transmission Developers.**

A. **New Transmission Developer Application Submission.**

In January of each year, the Transmission Provider will post on its
website an invitation and application template for prospective
transmission developers that are not Qualified Transmission Developers
to submit a Transmission Developer Application. Each Qualified
Transmission Developer Applicant must submit, by the deadline
specified on the invitation, but no less than thirty (30) days from the date
the invitation was posted, a Transmission Developer Application using
the template posted with the invitation and further described in the
applicable Business Practices Manuals. The Qualified Transmission
Developer Applicant may submit its completed Transmission Developer
Application via e-mail, conventional mail, or delivered by courier, but
must be received by the Transmission Provider by 5:00 PM EPT on the

Effective On: January 1, 2015
day specified as the deadline. The Transmission Developer Application must be accompanied by a non-refundable application fee in the amount of $20,000.00 to cover the cost of processing, reviewing, and certifying the Qualified Transmission Developer Applicant as a Qualified Transmission Developer should all qualification requirements be satisfied. The information submitted in the Transmission Developer Application must provide all qualification data required per Sections VIII.B.3, VIII.B.4, VIII.B.5, VIII.B.6, and VIII.B.7 of this Attachment FF.

B. Transmission Developer Application Cure Period

To the extent the Transmission Provider finds the Transmission Developer Application deficient of data necessary to support all qualification requirements, the Transmission Provider will notify the applicant by e-mail within thirty (30) days of receipt and the Qualified Transmission Developer Applicant will have thirty (30) days from notification to submit the additional data required. No additional cure period will be allowed for the purpose of gaining qualification.

C. Qualified Transmission Developer Certification Notification

The Transmission Provider will certify those Qualified Transmission Developer Applicants that meet the requirements for qualification and will notify a Qualified Transmission Developer Applicant of the Transmission Provider’s decision within one-hundred eighty (180) days.
of receipt of each Transmission Developer Application, except in the first year of such process, in which case notification will be made within two-hundred seventy (270) days of receipt of each Transmission Developer Application.

D. New Qualified Transmission Developer Updates

The Transmission Provider will update, on the Transmission Provider’s website, the list of Qualified Transmission Developers within thirty (30) days of providing notification to the applicants found to be qualified. If the Transmission Provider does not certify a Qualified Transmission Developer Applicant, it will provide the applicant with a written explanation detailing its determination within thirty (30) days after notification.

E. Qualification of Joint Ventures

A group of individual, certified Qualified Transmission Developers that desire to be certified as a joint venture eligible to be a Qualified Transmission Developer shall be automatically qualified if the joint venture of Qualified Transmission Developers: (i) provide the necessary guarantees to utilize their respective resources to support the joint venture and (ii) submit a Transmission Developer Application in accordance with this Section VIII of Attachment FF to seek official status as a Qualified Transmission Developer.

F. Authority to Certify Qualified Transmission Developers
The Executive Oversight Committee shall have the exclusive and final authority to approve or reject Transmission Developer Applications and certify Qualified Transmission Developers.

b) **Retiring Qualified Transmission Developers.** A Qualified Transmission Developer that desires to terminate its status as a Qualified Transmission Developer may do so at any time by notifying the Transmission Provider. Upon such notification, the Transmission Provider will update the Qualified Transmission Developer list within thirty (30) days of notification. A retired Qualified Transmission Developer may renew its status as a Qualified Transmission Developer by following the process outlined in Section VIII.B.2.a for Qualified Transmission Developer Applicants seeking Qualified Transmission Developer status in subsequent annual qualification processes.

c) **Renewing Qualified Transmission Developers.** In January of each year, at the time the Transmission Provider posts on its website an invitation for prospective transmission developers to submit Transmission Developer Applications, the Transmission Provider will also send a notification to each existing Qualified Transmission Developer requesting a confirmation that the Qualified Transmission Developer continues to meet the requirements for a Qualified Transmission Developer.

1. **Qualified Transmission Developer Renewal Submission.**

   In response to the renewal invitation, Qualified Transmission
Developers must: (i) update data currently on file with the Transmission Provider regarding qualification requirements that were used previously to establish or confirm the entity as a Qualified Transmission Developer if such data has materially changed; (ii) explain how any changes to data currently on file with the Transmission Provider do not invalidate the Qualified Transmission Developer’s status; and (iii) submit such updates, including a signed confirmation that the Qualified Transmission Developer still meets all qualification requirements, within sixty (60) days of the date the Transmission Provider requests such data.

2. Clarifications of Qualified Transmission Developer Renewal Submission.

The Transmission Provider may, if necessary, within sixty (60) days of receipt of a Qualified Transmission Developer renewal submission, request clarification or further explanation to ensure the Qualified Transmission Developer continues to meet the qualification requirements.


The Transmission Provider will notify the Qualified Transmission Developer, within one-hundred eighty (180) days of the initial notification requesting the Qualified Transmission Developer to confirm it continues to meet qualification requirements, as to
whether or not such entity continues to meet the requirements for qualification.

4. Requalification as a Qualified Transmission Developer.

In the event a Qualified Transmission Developer no longer meets the requirements to be certified as a Qualified Transmission Developer, such Qualified Transmission Developer may seek re-qualification during any subsequent annual qualification process as described in Section VIII.B.2.a of this Attachment FF.

d) The Executive Oversight Committee has the exclusive authority to terminate a Qualified Transmission Developer.

(3) General Requirements for Qualified Transmission Developers. The general requirements applicable to Qualified Transmission Developers include the following agreements:

a. The Qualified Transmission Developer Applicant must be a Transmission Owner or Non-owner Member in good standing at the time the Transmission Developer Application is filed to seek certification as a Qualified Transmission Developer, and must maintain such status throughout the entire prequalification process.

b. The Qualified Transmission Developer Applicant must submit a written commitment, signed by an authorized representative of the Qualified Transmission Developer Applicant, to execute the ISO Agreement if designated as a Selected Transmission Developer for a
future Open Transmission Project. Execution of the ISO Agreement must take place after the facilities have been constructed but prior to energization of such New Transmission Facilities, unless the Qualified Transmission Developer Applicant is already a Transmission Owner;

c. The Qualified Transmission Developer Applicant must submit a written commitment, signed by an authorized representative of the Qualified Transmission Developer Applicant, to comply with all Applicable Laws and Regulations, codes, and standards governing the engineering, design, construction, operation, and maintenance of transmission facilities including, but not limited to, federal laws; applicable state and local laws; applicable state and local building codes; federal regulatory requirements; applicable state and local regulatory requirements; applicable state and local licensing authorities; the National Electric Safety Code; the National Electric Code; Applicable Reliability Standards; and Good Utility Practice should the Qualified Transmission Developer be selected in the future as a Selected Transmission Developer for one or more Open Transmission Projects;

d. The Qualified Transmission Developer Applicant must submit a written commitment, signed by an authorized representative of the Qualified Transmission Developer Applicant, to register with NERC, in accordance with NERC’s registration guidelines, as the transmission
owner (TO), transmission operator (TOP), and transmission planner (TP), as defined by NERC, for all transmission facilities that are part of the Open Transmission Project that the Qualified Transmission Developer, if selected as the Selected Transmission Developer, will own;

e. The Qualified Transmission Developer Applicant must submit a written commitment, signed by an authorized representative of the Qualified Transmission Developer Applicant, that if selected as the Selected Transmission Developer, the Qualified Transmission Developer Applicant shall either i) contract with the interconnecting Local Balancing Authority (LBA) to include the New Transmission Facilities within the boundaries of the interconnecting LBA and demonstrate to the satisfaction of the Transmission Provider and per agreement by the interconnecting LBA that applicable LBA-related tasks associated with the proposed New Transmission Facilities that may be delegated to an LBA by the Balancing Authority Agreement will be carried out either by the LBA or the Qualified Transmission Developer Applicant if selected as a Selected Transmission Developer; or ii) execute the Balancing Authority Agreement, register with NERC as a Balancing Authority (BA), and be designated as the Local Balancing Authority for any proposed New Transmission Facilities, unless the Qualified Transmission Developer Applicant is already
registered with NERC as a BA and designated as an LBA for one or more of the existing transmission facilities that may interconnect directly with any New Transmission Facilities associated with the Open Transmission Project(s) that the Qualified Transmission Developer may be awarded;

f. The Qualified Transmission Developer Applicant must make a written commitment, signed by an authorized representative of the Qualified Transmission Developer Applicant, that, if selected as a Selected Transmission Developer, it shall comply with the FERC Form 715 Part 4 TRPC, Transmission Planning Criteria and Guidelines on file with FERC and established by each incumbent Transmission Owner whose existing transmission facilities will interconnect directly with the New Transmission Line Facilities and/or New Substation Facilities; and

g. The Qualified Transmission Developer Applicant must make a written commitment, signed by an authorized representative of the Qualified Transmission Developer Applicant, that, if it is selected as a Selected Transmission Developer, it shall comply with current requirements and standards regarding the interconnection of transmission facilities published by each Transmission Owner to which New Transmission Line Facilities and/or New Substation Facilities will interconnect including, but not limited to, those standards and requirements
required for compliance with the applicable NERC Facilities Design, Connections, and Maintenance (“FAC”) Reliability Standards.

4. **Project Implementation Requirements for Qualified Transmission Developers.** Qualified Transmission Developer Applicants must submit documentation to demonstrate to the Transmission Provider that the Qualified Transmission Developer Applicant has or can obtain sufficient capabilities and competencies to satisfy the following project implementation requirements for Open Transmission Projects:

   a. Project management;
   b. Routing and siting studies including public outreach;
   c. Preliminary and detailed engineering and surveying;
   d. Material and equipment procurement;
   e. Construction; and
   f. Commissioning.

There are two general methods that a Qualified Transmission Developer Applicant may use to demonstrate it will have sufficient capabilities and competencies to perform project implementation tasks if chosen as the Selected Transmission Developer for a project. First, the Qualified Transmission Developer Applicant may provide evidence that it currently develops transmission projects by listing data, pursuant to templates developed by the Transmission Provider, regarding the transmission facilities it owns and the infrastructure and
resources it has in place to perform the project implementation activities to
develop such transmission facilities, where infrastructure and resources may
include, but not necessarily be limited to, employees, contractors, tools,
equipment, buildings, vehicles, policies, processes, and procedures. Second, a
Qualified Transmission Developer Applicant can provide a detailed business
implementation plan describing how it would acquire the capabilities and
competencies to perform the specific project implementation tasks listed above,
including plans for: i) retaining personnel or contractors; ii) utilizing
infrastructure and resources owned and operated by an affiliate company; iii)
qualifying personnel and contractors utilized; iv) acquiring required tools,
equipment, and vehicles; v) development of project management, engineering,
material, and construction standards and practices to be followed for specific
types of facilities; vi) route and site studies (including public outreach); and vii)
procuring adequate capital to develop transmission projects.

In the event that a Qualified Transmission Developer intends to
demonstrate its project implementation qualifications by obtaining the requisite
capabilities and competencies by contracting with third parties, the Qualified
Transmission Developer Applicant shall submit—either as part of its business
implementation plan or in separate documentation—an explanation of the
capabilities and competencies that the Qualified Transmission Developer
Applicant possesses at the time of application and those capabilities and
competencies for which the Qualified Transmission Developer Applicant intends
to contract in order to demonstrate its ability to satisfy the foregoing project implementation requirements for Open Transmission Projects. For each capability or competency that the Qualified Transmission Developer Applicant does not possess but intends to procure through contracting with third parties, the Qualified Transmission Developer Applicant shall provide a detailed contracting plan that contains a detailed description of the steps the Qualified Transmission Developer Applicant intends to take to procure needed capabilities or competencies if it is chosen as the Selected Transmission Developer for an Open Transmission Project.

The Qualified Transmission Developer Applicant shall not be required to have executed contracts with third parties to obtain all required capabilities or competencies at the time of application in order to prequalify as a Qualified Transmission Developer. However, the Qualified Transmission Developer Applicant bears the burden of identifying the capabilities or competencies it possesses and those for which it must contract with third parties and that the Qualified Transmission Developer Applicant has a realistic contracting plan for obtaining those capabilities.

5. **Operations, Maintenance, Repair, and Replacement Requirements for Qualified Transmission Developers.** Qualified Transmission Developer Applicants must submit documentation that demonstrates to the Transmission Provider that the Qualified Transmission Developer Applicant possesses or can obtain sufficient capabilities and competencies to adequately perform the
following operations, maintenance, testing, inspection, repair, and replacement
tasks for any New Transmission Facilities associated with an Open Transmission
Project once such facilities are in service and part of the Transmission System:

(1) Forced outage response for transmission line circuits;

(2) Forced outage response for substations;

(3) Switching for transmission line circuits;

(4) Switching for substations;

(5) Transmission line emergency repair;

(6) Substation emergency repair and testing;

(7) Transmission line preventative and/or predictive maintenance,
    including vegetation management;

(8) Substation preventative and/or predictive maintenance including
    equipment testing;

(9) Maintenance and management of spare parts, spare structures,
    and/or spare equipment inventories for substations and/or
    transmission lines, as applicable, including description of any
    agreements to share spare equipment, spare parts, and/or spare
    structures with other transmission entities;

(10) Real-time operations monitoring and control capabilities; and

(11) Major facility replacements or rebuilds required as a result of
    catastrophic destruction or natural aging through normal wear and
tear, including financial strategy to facilitate timely replacements and/or rebuilds.

(12) Once a Qualified Transmission Developer, the Transmission Provider may require additional demonstration of qualifications to operate, maintain, restore, test, inspect, and replace specific New Transmission Facilities associated with specific Open Transmission Projects for a specific New Transmission Proposal.

There are two general methods that a Qualified Transmission Developer Applicant may use to demonstrate it will have sufficient capabilities and competencies to perform operations and maintenance services if chosen as the Selected Transmission Developer for an Open Transmission Project. First, Qualified Transmission Developer Applicant may provide evidence that it currently owns and/or operates and maintains electric transmission facilities by listing data, pursuant to templates developed by the Transmission Provider, regarding the transmission facilities it owns and/or operates and maintains and the infrastructure and resources it has in place to perform the operations and maintenance activities for such transmission facilities, where infrastructure and resources may include, but not necessarily be limited to, employees, contractors, tools, equipment, buildings, spare materials and equipment, vehicles, policies, processes, and procedures. Second, a Qualified Transmission Developer Applicant can provide a detailed business implementation plan describing how it would acquire the capabilities and competencies to perform the specific
operations and maintenance tasks listed above, including plans for: i) retaining personnel or contractors; ii) utilizing infrastructure and resources owned and operated by an affiliate company; iii) qualifying personnel and contractors utilized; iv) acquiring required tools, equipment, and vehicles; v) development of maintenance standards and practices to be followed for specific types of facilities; vi) developing standards governing where personnel, equipment, and spare parts/equipment will be maintained with respect to potential future facilities (e.g., maximum distance between facility and local office, etc.); vii) emergency response times; and viii) maintaining adequate capital procurement capabilities to rebuild facilities following major catastrophic outages (including property insurance and risk mitigation strategies).

In the event that a Qualified Transmission Developer Applicant intends to demonstrate its operations and maintenance, repair and replacement qualifications by obtaining the requisite capabilities and competencies by contracting with third parties, the Qualified Transmission Developer Applicant shall submit—either as part of its business implementation plan or in separate documentation—an explanation of the capabilities and competencies that the Qualified Transmission Developer Applicant possesses at the time of application and those capabilities and competencies for which the Qualified Transmission Developer Applicant intends to contract in order to demonstrate its ability to implement the foregoing project operation, maintenance, repair, and replacement requirements for Open Transmission Projects. For each capability or competency that the Qualified
Transmission Developer Applicant does not possess but intends to procure through contracting with third parties, the Qualified Transmission Developer Applicant shall provide a detailed contracting plan that contains a detailed description of the steps the Qualified Transmission Developer Applicant intends to take to procure needed capabilities or competencies if it is chosen as the Selected Transmission Developer for an Open Transmission Project.

The Qualified Transmission Developer Applicant shall not be required to have executed contracts with third parties to obtain all required capabilities or competencies at the time of application order to prequalify as a Qualified Transmission Developer. However, the Qualified Transmission Developer Applicant bears the burden of identifying the capabilities or competencies it possesses and those for which it must contract with third parties and that the Qualified Transmission Developer Applicant has a realistic contracting plan for obtaining those capabilities.

6. **Legal Requirements for Qualified Transmission Developers.** Qualified Transmission Developer Applicants must submit the following information and demonstrate to the Transmission Provider that the information submitted represents an acceptable level of risk to rely on the Qualified Transmission Developer Applicant, if designated a Selected Transmission Developer, to successfully implement a transmission project and own and operate the associated transmission facilities once in service. The information submitted must include written certification signed by an authorized representative of the Qualified
Transmission Developer Applicant stating that the submitted information is accurate:

a) A summary of legal and/or regulatory violations during the past five years or, if the Qualified Transmission Developer Applicant has been in business for less than five years, the number of years for which the Qualified Transmission Developer Applicant has been in business, by the Qualified Transmission Developer Applicant found by federal or state courts, federal regulatory agencies, state public utility commissions, other regulatory agencies, or attorneys general. This includes, but is not limited to, Federal Energy Regulatory Commission (“FERC”), North American Electric Reliability Corporation (“NERC”) Reliability Standards, Securities Exchange Commission (“SEC”) regulations, U.S. Commodity Futures Trading Commission (“CFTC”) regulations, and other applicable requirements.

b) A summary of any and all instances in which the Qualified Transmission Developer Applicant is currently under investigation or is a defendant in a proceeding involving an attorney general or any state or federal regulatory agency, for violation of any laws, including regulatory requirements, during the past five years or, if the Qualified Transmission Developer Applicant has been in business for less than five years, the number of years for which the Qualified Transmission Developer Applicant has been in business. The Qualified Transmission Developer Applicant shall
include an affidavit signed by an authorized officer of the Qualified Transmission Developer Applicant’s company stating that the information in the submission is true and accurate and that the Qualified Transmission Developer Applicant will comply with all applicable requirements in this Tariff, the Business Practices Manuals, or other applicable Transmission Provider documents or agreements.

c) Each Qualified Transmission Developer Applicant has an ongoing duty to provide an update to the Transmission Provider as soon as reasonably practical should there be any material changes to its (or relevant parent’s) information submitted in compliance with Section VIII.B.6 after its Transmission Developer Application is submitted.

7. **Financial Requirements for Qualified Transmission Developers.** Qualified Transmission Developer Applicants must submit the following information and demonstrate to the Transmission Provider that the information submitted represents an acceptable level of risk to rely on the Qualified Transmission Developer Applicant to successfully implement a transmission project and own and operate the associated transmission facilities once in service. The information submitted must include written certification signed by an authorized representative of the Qualified Transmission Developer Applicant stating that the submitted information is accurate:

a) A proposed financial plan demonstrating adequate capital resources (e.g., current assets, revolving lines, commercial paper, letter of credit, stock or
bond issuance or other sources of liquidity) are available to the Qualified Transmission Developer Applicant to allow for Open Transmission Projects to be implemented on schedule and associated New Transmission Facilities to be operated and maintained appropriately after the facilities are in service.

b) The credit rating(s) for the Qualified Transmission Developer Applicant from Moody’s Investor Services, Inc., Standard and Poor’s Rating Group and/or other Nationally Recognized Statistical Rating Organization (“NRSRO”) as recognized by the Securities and Exchange Commission (“SEC”). Such credit rating information may pertain to a parent company in lieu of the Qualified Transmission Developer Applicant if the parent company is making a written guarantee, which must be included with the application. A written guarantee must be in a form acceptable to the Transmission Provider. In the event the Qualified Transmission Developer Applicant is rated by more than one NRSRO, then the lowest rating will be the benchmark for consideration of demonstrating and maintaining an investment grade credit rating. For example, an investment grade rating is considered to be a rating of Baa3 or above from Moody’s Investor Services, Inc. or BBB- or above from Standard and Poor’s Rating Group (equivalent ratings will be used for other rating agencies). The focus of the review will be on the entity’s unsecured, senior long-term debt ratings (not supported by third-party enhancements).
If unsecured, senior long-term debt ratings are not available, the Transmission Provider may consider Issuer Ratings.

In the event the Qualified Transmission Developer Applicant does not have an investment grade rating, the Transmission Provider will consider the other information the Qualified Transmission Developer Applicant has submitted to evaluate its financial capability to construct the transmission facility in a timely manner, and to maintain and operate it reliably for the long term.

c) General financial information, including two years of audited financial statements with notes to the financials and a signed commitment by an authorized representative of the Qualified Transmission Developer Applicant that it is not aware of any material events or circumstances that would likely result in a material adverse weakness in financial strength throughout project implementation of future Open Transmission Projects that it might be awarded after it is certified as a Qualified Transmission Developer. This information may pertain to a parent company in lieu of the Qualified Transmission Developer Applicant if the parent company is making a written guarantee, which must be included with the Qualified Transmission Developer Application. A written guarantee must be in a form acceptable to the Transmission Provider.

d) A summary of any history of bankruptcy, dissolution, merger, or acquisition of the Qualified Transmission Developer Applicant, or any
predecessors in interest for the current calendar year and the five calendar years immediately preceding its submission of the application. This information must also be submitted for any parent company that is making a written guarantee to satisfy the requirements in Section VIII.B.7.b and VIII.B.7.c above. A written guarantee must be in a form acceptable to the Transmission Provider.

e) Each Qualified Transmission Developer Applicant has an ongoing duty to provide an update to the Transmission Provider as soon as reasonably practical should there be any material changes to its (or relevant parent’s) financial information submitted in compliance with Section VIII.B.7 after its Transmission Developer Application is submitted.

8. Confidential Treatment of Qualified Transmission Developer Applications.

All information submitted with Transmission Developer Applications will be considered Confidential Information and will not be publicly posted or shared with any individual except employees of the Transmission Provider and/or contractors of the Transmission Provider that have executed an appropriate non-disclosure agreement.

9. Alternative Dispute Resolution. Any Qualified Transmission Developer Applicant who is not approved as a Qualified Transmission Developer may request alternative dispute resolution under Attachment HH of the Transmission Provider’s Tariff within 30 calendar days of receiving from the Transmission Provider the written explanation of its decision to deny the application.

Effective On: January 1, 2015
C. New Transmission Proposal Data Submission

1. Determination of Open Transmission Projects. Upon the Transmission Provider Board’s approval of transmission projects for inclusion in Appendix A of the MTEP, the Transmission Provider will develop a separate Transmission Proposal Request for each Open Transmission Project. These Transmission Proposal Request(s) will be posted on the Transmission Provider website within thirty (30) calendar days of the date the Transmission Provider Board approved the Open Transmission Project for inclusion in Appendix A of the MTEP.

Pursuant to Section VIII.A.1, only New Transmission Facilities eligible under state law will be included in the Open Transmission Project where i) all other New Transmission Facilities and ii) upgrades as described in Section VIII.A.2 will be assigned to the applicable incumbent Transmission Owner in accordance with the Owners Agreement.

2. Transmission Proposal Requests

a. Qualification to Submit New Transmission Proposals. New Transmission Proposals may be submitted only in response to a posted Transmission Proposal Request and only by entities that are Qualified Transmission Developers.

b. Transmission Proposal Request Deposit. The New Transmission Proposal Applicant will submit an initial deposit of $100,000.00 with each New Transmission Proposal.
Provider shall evaluate all New Transmission Proposals submitted in response to each Transmission Proposal Request together and track all time and expenses specifically associated with the evaluation of all such New Transmission Proposals. The Transmission Proposal Request deposits of all New Transmission Proposal Applicants will be applied equally to the cost of evaluating all the New Transmission Proposals. Any shortfall associated with evaluation of the New Transmission Proposals submitted in response to each Transmission Proposal Request will be billed by the Transmission Provider on a pro rata basis to each New Transmission Proposal Applicant. Each New Transmission Proposal Applicant shall be responsible for paying its pro rata share of any shortfall to the Transmission Provider within thirty (30) days of receiving notice of the shortfall. Any funds remaining after the evaluation of all New Transmission Proposals submitted in response to a Transmission Proposal Request, including refunds to New Transmission Proposal Applicants who are not chosen as the Selected Transmission Developer by the Transmission Provider, shall be refunded on a pro rata basis to each New Transmission Proposal Applicant within thirty (30) days following the designation of the Selected Transmission Developer, including interest payable at a rate consistent with 18 CFR § 35.19a.

c. Minimum Contents of Transmission Proposal Requests. The Transmission Proposal Request will specify i) each New Transmission
Line Facility and/or each New Substation Facility associated with the
Open Transmission Project that should be included in the New
Transmission Proposal; ii) the date by which the New Transmission
Proposal must be submitted to the Transmission Provider, which shall not
exceed one-hundred eighty (180) calendar days from the posting of the
Transmission Proposal Request; iii) a list of the current transmission
facility interconnection standards and requirements established by the
Transmission Owner(s) to which the New Transmission Line Facilities
and/or New Substation Facilities will interconnect; and iv) additional
requirements or qualification criteria of a specific state(s) related to
specific New Transmission Facilities to be located within that state’s(s’) boundaries.

i. Furthermore, where it involves one or more New
Transmission Line Facilities, the Transmission Proposal
Request will specify for each New Transmission Line
Facility, at a minimum:

(1) Expected in-service date;

(2) Implementation schedule indicating the required
steps to develop and construct the Open
Transmission Project, including, but not limited to,
all required regulatory approvals;
(3) Nominal operating voltage level in kV and voltage characteristics (i.e., three-phase AC, bipolar DC, etc.) for each transmission circuit;

(4) Terminating substations and buses for each transmission circuit;

(5) Minimum required normal and emergency load ratings for both summer and winter seasons for each transmission circuit; and

(6) Maximum allowable positive sequence impedance for each transmission circuit when determined applicable by planning studies performed by the Transmission Provider.

ii. Where it involves one or more New Substation Facilities, the Transmission Proposal Request will specify for each New Substation Facility, at a minimum, the following information:

(1) Expected in-service date;

(2) Implementation schedule indicating the required steps to develop and construct the Open Transmission Project, including, but not limited to, all required regulatory approvals;

(3) List of all transmission buses within the New
Substation Facility, including nominal operating voltage level in kV and voltage characteristics;

(4) List of all major equipment and facilities within the New Substation Facility and associated terminating buses including power transformers, voltage regulators, phase angle regulators, series reactors, series capacitors, shunt reactors, shunt capacitors, static VAR compensators, DC converters, transmission line circuit terminals, generator terminals, and loads;

(5) Limitations on and/or requirements for bus configurations when determined applicable by planning studies performed by the Transmission Provider including required load ratings of circuit breakers, disconnects, bus sections and other load carrying equipment under alternative bus configurations;

(6) Required load ratings for all load carrying equipment and facilities identified in item (4) above;

(7) Winding connection and tap requirements for power transformers, voltage regulators, phase angle regulators and load tap changers when determined

Effective On: January 1, 2015
necessary by planning studies performed by the Transmission Provider;

(8) Impedance requirements for power transformers, phase angle regulators, series reactors and series capacitors when determined necessary by planning studies performed by the Transmission Provider; and

(9) Limitations on and/or requirements for protection systems when determined applicable by a planning driver or Applicable Reliability Standard or in order to ensure a compatible interconnection with existing protection systems associated with existing transmission facilities to which the New Transmission Facilities will interconnect.

d. **Other Requirements of Transmission Proposal Requests.** The Transmission Provider reserves the right to specify in Transmission Proposal Requests, if deemed necessary and/or appropriate, additional information for any specific New Transmission Line Facilities and/or New Substation Facilities.


Effective On: January 1, 2015
Transmission Proposal Request must submit all data required by the Transmission Proposal Request, including, but not limited to:

a. A detailed project implementation schedule for each New Transmission Facility, driven by the required in-service date, which must include proposed schedules for route and site evaluation, regulatory permitting, land acquisition, engineering and design, land surveying, material procurement, construction, and commissioning for all New Transmission Facilities;

b. Cost estimate data for each proposed New Transmission Line Facility and/or New Substation Facility;

c. Reasonably descriptive facility design proposals for each New Substation Facility and/or New Transmission Line Facility included in the Open Transmission Project;

d. Documentation of project implementation capabilities relative to the applicable locations and jurisdictions where the New Transmission Facilities will be constructed;

e. Documentation of operations, maintenance, repair, and replacement capabilities relative to the applicable locations and jurisdictions where the New Transmission Facilities will be constructed; and

f. Modeling data files for all proposed New Transmission Line Facilities and/or New Substation Facilities included in the Open Transmission Project.
4. **Cost Estimates.** Proposed cost estimate data must be based on the reasonably
descriptive facility design proposals submitted in the New Transmission Proposal
and will include, at a minimum:

   a) Estimated project cost for each proposed New Transmission Line Facility
      and/or New Substation Facility; and
   
   b) Estimated annual revenue requirements for the first 40 years the facilities
      included in the New Transmission Proposal will be in service in
      accordance with Attachment MM of the Tariff for Multi Value Projects
      and Attachment GG of the Tariff for Market Efficiency Projects, including
      the supporting detail on the annual allocation factors for operations and
      maintenance, general and common depreciation expense, taxes other than
      income taxes, income taxes, and return used to estimate the annual
      revenue requirements.

5. **Reasonably Descriptive Facility Design Proposals.** Reasonably descriptive
   facility design proposals must be submitted for each New Transmission Line
   Facility and/or New Substation Facility included in the Open Transmission
   Project. Reasonably descriptive facility design proposals represent descriptions of
   the core attributes and features of a design, not the detailed engineering and
   design calculations and documents.

   a. **Reasonably Descriptive Facility Design Proposals for New
      Transmission Facilities.** For each New Transmission Line Facility,
reasonably descriptive facility design proposals must include, at a minimum:

1. Estimated length of New Transmission Line Facility in miles and basis for estimate;
2. Proposed conductor type, size, and, if applicable, bundling configuration;
3. Proposed default or typical structure design attribute(s) (e.g., steel vs. wood vs. aluminum vs. concrete, monopole vs. H-frame vs. lattice, single circuit vs. double circuit, self-supporting vs. guyed, structural calculation assumptions, etc.) to be used for tangent, running angle, in-line dead-end, and angle dead-end structures when feasible and/or for the majority of the New Transmission Line Facility;
4. Estimated positive sequence line impedance and pi-equivalent shunt susceptance;
5. Calculated normal and emergency seasonal thermal loading ratings, including basis for calculations;
6. Proposed type of lightning protection system to be used when feasible and/or for the majority of the New Transmission Line Facility (e.g., shield wires vs. surge arresters, etc.) and key attributes (e.g., shielding angle, arrester location and type, etc.);
(7) Proposed grounding method to be used when feasible and/or for
the majority of the New Transmission Line Facility (e.g., ground
rods only, counterpoise, etc.) and key attributes (e.g., targeted
structure footing grounding resistance, etc.);

(8) Proposed method to address or mitigate adverse impacts of
galloping conductors and/or Aeolian vibration, if any (e.g.,
Stockbridge dampers, special conductors, etc.);

(9) Continuous rating of any load carrying switchgear installed on the
New Transmission Line Facility; and

(10) Assumed communications systems to be used for the New
Transmission Line Facility to facilitate protective relaying (e.g.,
fiber optic, power line carrier, microwave, etc.).

b. **Reasonably Descriptive Facility Design Proposals for New Substation Facilities.** For New Substation Facilities, reasonably descriptive facility
design proposals must include, at a minimum:

(1) Detailed one-line diagram;

(2) Proposed protection systems including protection schemes, any
anticipated interaction with existing/other facilities and
conceptual protection system design (including backup
protection systems, if applicable). Remote system monitoring
capability shall be described with major features listed
(redundancy, monitored parameters, etc.);
(3) Detailed specifications for proposed power transformers;

(4) Description of other substation equipment items, including load ratings, voltage ratings, fault interrupting ratings, tap data, and impedances as applicable, where other substation equipment includes, but is not limited to, bus sections, circuit breakers, circuit switchers, switches, disconnects, regulating transformers, station service transformers, series and shunt capacitors, series and shunt reactors, static VAR compensators, DC conversion equipment, instrument transformers (metering and relaying), wave traps, and surge arresters;

(5) Proposed line terminal ratings and basis for calculation, including limiting element;

(6) Basis for load rating calculations on any equipment where nameplate continuous ratings are not used; and

(7) Description of the communication system for remote monitoring, control and data acquisition facilities, including monitoring and control points.

Any specific Transmission Proposal Request may require submission of additional facility design data when deemed necessary by the Transmission Provider. Any New Transmission Proposal may also include additional facility data, including but not limited to, optional facility design data.
listed in the Business Practices Manual for Transmission Planning, which may be considered by the Transmission Provider in the evaluation and selection of New Transmission Proposals.

6. **Project Implementation Capabilities Relative to Specific Open Transmission Project.** Documentation of project implementation capabilities required in a New Transmission Proposal must include a description of existing and/or planned/proposed capabilities to be used by the New Transmission Proposal Applicant to perform the following tasks in the locations and jurisdictions where the New Transmission Facilities associated with the Open Transmission Project are to be located:

   a) Project management;

   b) Routing evaluation studies for New Transmission Line Facilities, if applicable;

   c) Site evaluation studies for New Substation Facilities, if applicable;

   d) Regulatory permitting;

   e) Right-of-way acquisition for New Transmission Line Facilities, if applicable;

   f) Land acquisition for New Substation Facilities, if applicable;

   g) Engineering and surveying required for New Transmission Line Facilities and/or New Substation Facilities;
h) Material procurement for New Transmission Line Facilities and/or New Substation Facilities;

i) Construction of New Transmission Line Facilities and/or New Substation Facilities; and

j) Commissioning of New Transmission Line Facilities and/or New Substation Facilities.

Any specific Transmission Proposal Request may require submission of additional data related to the policies, processes, methods, capabilities, experience, and past performance of New Transmission Proposal Applicants regarding project implementation when deemed necessary by the Transmission Provider.

Any New Transmission Proposal may also include additional information regarding project implementation capabilities, including but not limited to, existing capabilities and past experience regarding project implementation, which may be considered by the Transmission Provider in the evaluation and selection of New Transmission Proposals.

7. **Operations, Maintenance, Repair, and Replacement Capabilities.**

   Documentation of operations, maintenance, repair, and replacement capabilities required in a New Transmission Proposal must include a description of existing capabilities and/or planned/proposed capabilities to be used by the New Transmission Proposal Applicant, and documented processes and methods to be
used by the New Transmission Proposal Applicant to perform the following tasks in the locations and jurisdictions where the New Transmission Facilities associated with the Open Transmission Project are to be located:

a) Forced outage response for transmission line circuits;

b) Forced outage response for substations;

c) Switching for transmission line circuits;

d) Switching for substations;

e) Transmission line emergency repair;

f) Substation emergency repair and testing;

g) Transmission line preventative and/or predictive maintenance, including vegetation management;

h) Substation preventative and/or predictive maintenance including equipment testing;

i) Maintenance and management of spare parts, spare structures, and/or spare equipment inventories for substations and/or transmission lines, as applicable, including description of any agreements to share spare equipment, spare parts, and/or spare structures with other transmission entities;

j) Real-time operations monitoring and control capabilities, if the Open Transmission Project contains one or more New Substation Facilities; and
k) Major facility replacements or rebuilds required as a result of catastrophic destruction or natural aging through normal wear and tear, including financial strategy to facilitate timely replacements and/or rebuilds.

Any specific Transmission Proposal Request may require submission of additional data related to the policies, processes, methods, capabilities, experience, and past performance of entities regarding operations, maintenance, repair, and replacement when deemed necessary by the Transmission Provider. Additional information regarding operations, maintenance, repair, and replacement capabilities may also be included in any New Transmission Proposal, including but not limited to, existing capabilities and past experience regarding operations, maintenance, repair and replacement, which may be considered by the Transmission Provider in the evaluation and selection of New Transmission Proposals.

8. **Transmission Provider Planning Process Participation Documentation.**

While not required, should a New Transmission Proposal Applicant participate in the Transmission Provider planning process and desire to have such participation considered in the evaluation as described in Section VIII.G of this Attachment FF, the New Transmission Proposal Applicant should include in its New Transmission Proposal documentation regarding relevant planning studies performed by the New Transmission Proposal Applicant and results supplied to the Transmission Provider planning process, as well as documentation on past
transmission project ideas submitted by the New Transmission Proposal Applicant to the Transmission Provider to address the same Transmission Issues being addressed by the Open Transmission Project for which the New Transmission Proposal is being submitted.

9. **Modeling Data.** Modeling data files submitted with the New Transmission Proposal must meet the requirements outlined in the Business Practices Manual for Transmission Planning, including, at a minimum, data files necessary:

   I. To model New Transmission Line Facilities and/or New Substation Facilities in power flow and short-circuit models and

   II. To model new contingencies associated with New Transmission Lines Facilities and/or New Substation Facilities.

10. **Period for Submission of New Transmission Proposals.** New Transmission Proposals must be submitted within 180 calendar days from the date the Transmission Proposal Request is posted, or within the time period specified in the Transmission Proposal Request, whichever comes first. If the due date falls on a federal holiday, Saturday, or Sunday, the New Transmission Proposals will be due on the next business day. Two copies of the New Transmission Proposal in hard copy form must be delivered to the address specified in the Transmission Proposal Request no later than 5:00 PM EPT on the due date and one electronic copy of the New Transmission Proposal must be e-mailed to the e-mail address
specified in the Transmission Proposal Request no later than 5:00 PM EPT on the due date. Any inquiries by New Transmission Proposal Applicants regarding a Transmission Proposal Request prior to submission of a New Transmission Proposal should be made directly with the contacts listed in the Transmission Proposal Request and not to the interconnecting incumbent Transmission Owners.

11. **Additional Data Requests.** If, during the evaluation of New Transmission Proposals, the Transmission Provider determines that additional information is required to evaluate the New Transmission Proposals, the Transmission Provider will request, in writing, the additional data from all New Transmission Proposal Applicants, along with the timeframe that this data must be submitted within. If the additional data is not submitted within the specified timeframe, the New Transmission Proposal will not be evaluated or considered further. This timeframe will not be less than ten (10) business days from when the Transmission Provider issues the additional data request. This data request will not extend the evaluation timeframe defined in Section VIII.E.

12. **Confidential Treatment of New Transmission Proposals.** All information submitted with the New Transmission Proposal will be considered Confidential Information and will not be publicly posted or shared with any individual except employees of the Transmission Provider and/or contractors of the Transmission Provider that have executed an appropriate non-disclosure agreement.

D. **Cure Period.** Immediately after the date New Transmission Proposals are due, the Transmission Provider will review each New Transmission Proposal to ensure the
New Transmission Proposal Applicants are Qualified Transmission Developers and that all data requirements have been satisfied by each respective New Transmission Proposal Applicant. Should a New Transmission Proposal fail to satisfy one or more of the data requirements specified in this Tariff and/or in the Transmission Proposal Request, the Transmission Provider will, within ten (10) business days, via e-mail notify the submitting New Transmission Proposal Applicant, through the contact person designated in the New Transmission Proposal, of any deficiency. The New Transmission Proposal Applicant will have a single Cure Period of ten (10) business days from this notice to revise and resubmit the New Transmission Proposal to address the deficiency, except that if the New Transmission Proposal Applicant is not a Qualified Transmission Developer on the date the Transmission Proposal Request was posted, or ceases to be a Qualified Transmission Developer after the date the Transmission Proposal Request was posted, the New Transmission Proposal will not be evaluated or considered further. If a revised New Transmission Proposal is submitted after the Cure Period has elapsed, or continues to have one or more deficiencies with regard to qualifications or data requirements, the New Transmission Proposal will not be evaluated or considered further. The Transmission Provider will provide a written explanation identifying why the New Transmission Proposal has been disqualified.

E. Evaluation

1. **Steps of Evaluation and Selection Process.** Upon receipt of all New Transmission Proposals, sufficient in form and substance, by the due date specified in the Transmission Proposal Request, and upon completion of
the process outlined in Section VIII.D of this Attachment FF, the Transmission Provider will:

a) Evaluate each New Transmission Proposal submitted by a Qualified Transmission Developer;

b) Select one of the New Transmission Proposals for implementation based on application of the evaluation criteria below; and

c) Post the name of the Selected Transmission Developer on its website within 180 calendar days of the due date for the submission of New Transmission Proposals.

2. **General Criteria.** In evaluating each New Transmission Proposal, the Transmission Provider will consider the following general aspects of the proposal:

   a) Cost and reasonably descriptive facility design quality;

   b) Project implementation capabilities;

   c) Operations, maintenance, repair, and replacement capabilities; and

   d) Transmission Provider planning process participation.

3. **Cost and Reasonably Descriptive Facility Design.** When considering cost and reasonably descriptive facility design quality, the Transmission Provider shall evaluate, at a minimum:

   1. Estimated project cost for each proposed New Transmission Line Facility and/or New Substation Facility;
2. Estimated annual revenue requirements for all New Transmission Facilities included in the New Transmission Proposal;

3. Description of capital resources available to fund project costs as they arise;

4. Cost estimate rigor, which shall include financial assumptions and supporting information to clearly demonstrate a thorough analysis in support of the cost estimate;

5. Reasonably descriptive facility design quality; and

6. Reasonably descriptive facility design rigor, which shall include facility studies performed and other specific supporting data that clearly documents and supports consideration and attention given to the proposed reasonably descriptive facility designs.

4. **Project Implementation Capabilities.** When considering project implementation capabilities, the Transmission Provider shall evaluate, at a minimum, existing or planned capabilities, competencies, and processes regarding the following project implementation categories relative to the locations and jurisdictions where the New Transmission Facilities associated with the Open Transmission Project are to be located as well as the strength of the project implementation capabilities, including financial measures, demonstrated in the prequalification process to qualify the New Transmission Proposal Applicant as a Qualified Transmission Developer:

   a) Project management;
b) Route and site evaluation;

c) Land acquisition;

d) Engineering and surveying;

e) Material procurement;

f) Facility construction;

g) Final facility commissioning; and

h) Previous applicable experience and demonstrated ability.

5. **Operations, Maintenance, Repair, and Replacement Capabilities.**

When considering operations, maintenance, repair and replacement capabilities, the Transmission Provider shall evaluate, at a minimum, existing or planned capabilities, competencies, and processes regarding the following operations and maintenance categories relative to the locations and jurisdictions where the New Transmission Facilities associated with the Open Transmission Project are to be located as well as the strength of the operation and maintenance capabilities demonstrated in the prequalification process to qualify the New Transmission Proposal Applicant as a Qualified Transmission Developer, as applicable, based on the types of facilities included in the Transmission Proposal Request:

a. Forced outage response;

b. Switching;

c. Emergency repair and testing;

d. Spare parts;
e. Preventative and/or predictive maintenance and testing;

f. Real-time operations monitoring and control; and

g. Major facility replacement capabilities, including ongoing financial capabilities to restore facilities after catastrophic outages.

6. Transmission Provider Planning Process Participation. When considering transmission provider planning process participation, the Transmission Provider will consider relevant planning studies conducted by the Qualified Transmission Developer and the associated results supplied to the Transmission Provider planning process, as well as transmission project ideas submitted in the past by the Qualified Transmission Developer as potential solutions to address the same Transmission Issues addressed by the Open Transmission Project.

7. General Criteria Weighting. In evaluating each New Transmission Proposal, theTransmission Provider will apply the following weighting to each New Transmission Facility criteria evaluated:

a) New Transmission Line Facilities. The following weights will be applied to New Transmission Line Facility criteria:

a. Cost and reasonably descriptive facility design quality: 30%

b. Project implementation capabilities: 35%

c. Operations, maintenance, repair, and replacement capabilities: 30%
d. Transmission Provider planning process participations: 5%

b) **New Substation Facilities.** The following weights will be applied to New Substation Facility criteria:

a. Cost and reasonably descriptive facility design quality:

   30%

b. Project implementation capabilities: 30%

c. Operations, maintenance, repair, and replacement capabilities: 35%

d. Transmission Provider planning process participations: 5%

8. **Evaluation and Selection.** Specific methods used to evaluate various aspects of a New Transmission Proposal shall be described in the Business Practices Manual for Transmission Planning. This evaluation will be conducted by Transmission Provider planning staff and/or independent consultants competent in the areas of finance, transmission facility design, transmission project implementation, and transmission operations, maintenance, repair, and replacement. The Transmission Provider planning staff, and any independent consultants, will be overseen by the Executive Oversight Committee, which will have exclusive and final authority to determine Selected Transmission Developers. Within thirty (30) calendar days of the designation of the Selected Transmission Developer, the Transmission Provider will provide a report in which it explains the basis for designating the Selected Transmission Developer for
each Open Transmission Project. The Transmission Provider will include in this report a date(s) by which state approval(s) to construct must be achieved based upon when construction must begin to timely meet the Transmission Issue to be addressed by the Open Transmission Project(s) and taking into account the project implementation schedule(s) provided by the Selected Transmission Developer in its New Transmission Proposal. Any disputes regarding the developer selection will be referred to the Dispute Resolution Process under Attachment HH of this Tariff. The Selected Transmission Developer will assume the responsibility and obligation to construct the facilities it is selected to construct. If the Selected Transmission Developer is financially incapable of carrying out its construction responsibilities, alternate construction arrangements shall be identified. Depending on the specific circumstances, such alternate arrangements shall include solicitation of Transmission Owners to take on financial and/or construction responsibilities. If the delay in construction may adversely affect the Transmission System reliability, the Transmission Provider shall coordinate with and support the affected Transmission Owner(s) regarding any mitigation measures that may be required by Applicable Reliability Standards. However, in the event that an MTEP Appendix A Open Transmission Project approved by the Transmission Provider Board or selection of the designated Selected Transmission Developer to construct the approved
project is being challenged through the Dispute Resolution process under Attachment HH of this Tariff or a court proceeding, the obligation of the Selected Transmission Developer to build the specific Open Transmission Project (subject to required approvals) is waived until the Open Transmission Project or Selected Transmission Developer emerges from the Dispute Resolution process or court proceedings as an approved project with a Selected Transmission Developer designated to construct, implement, own, operate, maintain, repair, restore, and/or finance the recommended Open Transmission Project.

9. **Recourse if No New Transmission Proposals are Received or Selected.** The Transmission Provider may decline to accept any or all New Transmission Proposals that do not meet the Tariff’s requirements for the project classification in question or will not sufficiently address the Transmission Issue(s) the Transmission Proposal Request was intended to address. If no New Transmission Proposals are received from Qualified Transmission Developers or selected by the Transmission Provider, the Open Transmission Project will be assigned to the applicable Transmission Owner(s), as defined below:

(1) **Ownership and the responsibility to construct facilities which are connected to a single Transmission Owner’s system belong to that Transmission Owner;**
Ownership and the responsibilities to construct facilities which are connected between two (2) or more Transmission Owners’ facilities belong equally to each Transmission Owner, unless such Transmission Owners otherwise agree; and

Ownership and the responsibility to construct facilities which are connected between a Transmission Owner(s)’ system and a system or systems that are not part of the Transmission Provider belong to such Transmission Owner(s) unless the Transmission Owner(s) and the non-Transmission Provider party or parties otherwise agree.

IX. Reevaluation. After Transmission Provider Board MTEP Appendix A approval, certain circumstances or events may significantly affect such an Open Transmission Project in a manner and to a degree that would require the Transmission Provider to perform Variance Analysis. Such circumstances or events may include, but are not limited to: material schedule delays, cost increases, or changes to the Selected Transmission Developer’s qualifications, as compared to the schedule, cost estimates, and qualifications represented in the New Transmission Project Proposal and/or MTEP Appendix A, as applicable. The Variance Analysis shall consider, among other things: (i) causes of, or reasons for, any such circumstance or event; (ii) impacts, including potential reliability impacts of a delay in the Open Transmission Project, canceling the Open Transmission Project, or replacing the Selected Transmission Developer; (iii) mitigation measures and responsibilities; and (iv) solutions, and the timetable for the implementation of such solutions. This process will begin at assignment of an Open Transmission Project and end when construction begins.
a. **Grounds for Variance Analysis**

The following factors shall trigger the Transmission Provider’s Variance Analysis for an Open Transmission Project. The Variance Analysis will focus on the materiality of the changes identified and determine the need for full reevaluation.

1. **Cost Increases**

   Any project cost increase which reduces the benefit-cost ratio of an economically-driven Open Transmission Project to less than the required benefit-to-cost threshold, as defined in Section II.B.1.e or Section II.C.7 of this Attachment FF of the Tariff.

2. **Schedule Delays**

   A reported or otherwise identified delay of 6 months or more from the in-service date established in MTEP Appendix A and agreed upon in the accepted New Transmission Proposal and Binding Proposal Agreement of any assigned Open Transmission Project. This analysis may also be based upon failure to obtain necessary regulatory approvals; failure to execute necessary agreements; or failure to take the actions described in the Selected Transmission Developer’s accepted New Transmission Proposal.

3. **Deviation From Selected Transmission Developer Qualifications**

   Material changes in the condition and characteristics of the Selected Transmission Developer, as described in its accepted New Transmission Proposal.

   Material changes in this subsection may include, but are not limited to,
any delegation or assignment not described in the New Transmission Proposal of project responsibilities to another entity, including affiliates, or a partner that is either previously undisclosed, or disclosed but assigned to or designated for different responsibilities or failure to conform to the terms described in the Selected Transmission Developer’s accepted New Transmission Proposal.

b. Project Reevaluation

If required by the results of the above-described additional analysis, the Transmission Provider shall perform a reevaluation of the Open Transmission Project and/or Selected Transmission Developer, including, but not limited to:

1. Cost Increases

As applicable and necessary based upon the Variance Analysis, the Transmission Provider shall use the Open Transmission Project’s current cost estimate to perform an analysis and determine if said Open Transmission Project’s currently estimated benefit is sufficient to justify its continued construction.

2. Schedule Delays

As necessary based upon the Variance Analysis, the Transmission Provider shall perform an analysis to determine if the delay in the achievement of any significant schedule milestone(s) (including, but not limited to, failure to obtain necessary regulatory approvals) will delay the applicable Open Transmission Project’s in-service date, and if so, whether
such delay poses risks of adverse impacts on Transmission System reliability, and what mitigation measures and plan should be implemented.

3. **Deviation From Selected Transmission Developer Qualifications**

As necessary based upon the Variance Analysis, the Transmission Provider shall perform an analysis to determine if the Selected Transmission Developer remains qualified to construct, implement, operate, maintain, and/or restore the Open Transmission Project.

c. **Reevaluation Outcomes**

Based on all the required analysis described in subparagraphs a and b of this section, the Transmission Provider may decide to (i) make no change to the Open Transmission Project; (ii) reassign the Open Transmission Project to a different Qualified Transmission Developer; (iii) cancel the Open Transmission Project (iv) implement a reliability mitigation plan, in coordination with the affected Transmission Owner(s); or (v) such other remedy or solution as may be appropriate under the circumstances, including a suitable combination of two or more of the foregoing courses of action.

1. **Reassignment**

If a Selected Transmission Developer is found to no longer be a Qualified Transmission Developer, the applicable Open Transmission Project may be reassigned. Open Transmission Projects will be offered to the applicable Transmission Owner, as defined below:

(1) Ownership and the responsibility to construct facilities which are connected to a single Transmission Owner’s system belong to that
Transmission Owner; (2) Ownership and the responsibilities to construct facilities which are connected between two (2) or more Owners’ facilities belong equally to each Transmission Owner, unless such Transmission Owners otherwise agree; and (3) Ownership and the responsibility to construct facilities which are connected between a Transmission Owner(s)’ system and a system or systems that are not part of the Transmission Provider belong to such Transmission Owner(s) unless the Transmission Owner(s) and the non-Transmission Provider party or parties otherwise agree.

If the applicable Transmission Owner(s) decline to construct the Open Transmission Project, it will be reassigned, as applicable, through the developer evaluation process, as described in Section VIII.F.

Any entity that receives the transferred right to develop an Open Transmission Project or any delegation of responsibility not disclosed in the New Transmission Proposal shall be required to (a) meet the same requirements, including the qualification criteria contained within Section VIII of Attachment FF, and (b) assume all responsibilities of the Selected Transmission Developer imposed by

(i) the Tariff, including all attachments and schedules,
(ii) the New Transmission Proposal, and
(iii) any other commitment that relates to the Open Transmission Project made by the Selected Transmission Developer to the
Transmission Provider or a federal, state or local government or agency.

The Transmission Provider may require an entity designated to receive rights or responsibilities transferred from the Selected Transmission Provider to provide information and documentation relating to its qualifications and plans for completing the Open Transmission Project as a condition of receiving the transferred rights or responsibilities. The Transmission Provider also may require an entity designated to receive rights or responsibilities transferred from the Selected Transmission Provider to execute any written commitment that the Transmission Provider could have required the original Selected Transmission Developer to execute as a precondition or receiving the transferred rights or responsibilities.

2. **Project Cancellation**

Following reevaluation, the Transmission Provider may cancel economically-driven Open Transmission Projects if (1) cost increases reduce the benefit-cost ratio to the point where the currently estimated cost exceed previously defined benefits; and (2) reliability and/or public policy benefits (if any), are insufficient to justify continuation and completion of the project.

3. **Reliability Mitigation Plan**

If the Transmission Provider’s analysis determines that Transmission
System reliability may be adversely affected by the delay of an assigned Open Transmission Project, the Transmission Provider shall coordinate with and support the affected Transmission Owner(s) regarding any mitigation measures that may be required by Applicable Reliability Standards. The mitigation measures may include, without limitation, any one or combination of the following components: i) an updated implementation plan of the Selected Transmission Developer to meet the required in-service date; ii) an operating procedure; or iii) an alternative project to mitigate the reliability violation.

X. Interregional Coordination and Cost Allocation with the Southeastern Regional Transmission Planning Region

The public utility transmission providers in the Southeastern Regional Transmission Planning region (“SERTP”) and the Midcontinent Independent System Operator region (“MISO”) shall undertake the interregional transmission coordination and cost allocation procedures under Section X of this Attachment FF.

Where the regional transmission planning process is referenced as part of this interregional transmission coordination process the applicable regional transmission planning process for the Transmission Provider is described in Attachment FF; and is described for the SERTP in attachment K of the applicable SERTP transmission provider.

A. Interregional Transmission Coordination

1. Annual Meeting: Representatives of the SERTP and staff of the Transmission Provider will meet no less than once per year to facilitate the
interregional coordination procedures described below (as applicable). Representatives of the SERTP and staff of the Transmission Provider may meet more frequently during the evaluation of interregional transmission project(s) proposed for purposes of interregional cost allocation between the SERTP and the Transmission Provider transmission planning regions.

2. **Website Posting of Information on Interregional Coordination:** The Transmission Provider shall utilize the regional planning website for communication of information related to these coordinated interregional transmission planning procedures. The Transmission Provider shall coordinate with the SERTP with respect to the posting of materials to the regional planning website related to the interregional coordination procedures between the SERTP and the Transmission Provider transmission planning regions. The Transmission Provider shall, at a minimum, provide the following on the regional planning website:

a. Interregional coordination and cost allocation procedures between the SERTP and Transmission Provider;
b. Links to where stakeholders can register (if applicable/available) for the stakeholder committees or distribution lists of the SERTP;
c. Documents related to joint evaluation of interregional transmission projects; and
d. Status report on interregional transmission projects selected for purposes of interregional cost allocation between the SERTP and the Transmission Provider.

B. Model and Data Exchange

At least annually, the Transmission Provider and the SERTP shall exchange their then-current regional transmission plans including power-flow models and associated data used in the regional transmission planning processes to develop such transmission plan(s). This exchange will occur when such data is available in each of the regional transmission planning processes, typically during the first calendar quarter of each year. Additional transmission-based models and data may be exchanged between the SERTP and the Transmission Provider as necessary and if requested. For purposes of their interregional coordination activities, the Transmission Provider and SERTP will exchange only data and models used in the development of their then-current regional transmission process and plans. This data will be posted on the pertinent regional transmission planning process’ websites, consistent with the posting requirements of the respective regional transmission planning processes, and subject to the applicable treatment of confidential data and Critical Energy Infrastructure Information (CEII). The Transmission Provider shall notify SERTP of such posting.

C. Identification and Joint Evaluation of Proposed Interregional Transmission Projects

1. Identification of Interregional Transmission Projects: At least biennially, the Transmission Provider and the SERTP shall meet to review the respective
regional transmission plans. Such plans include each region’s transmission needs as prescribed by each region’s planning process. This review shall occur on a mutually agreeable timetable, taking into account each region’s regional transmission planning process timeline. If through this review, the Transmission Provider and the SERTP identify a potential interregional transmission project that may be more efficient or cost-effective than regional transmission projects, the Transmission Provider and the SERTP shall jointly evaluate the potential interregional transmission project pursuant to Section X.C.4.

2. **Identification of Interregional Transmission Projects by Stakeholders:**

Stakeholders and transmission developers (pursuant to Section X.D.1) may also propose interregional transmission projects that may be more efficient or cost-effective than regional transmission projects pursuant to the procedures in each region’s regional transmission planning processes.

3. **Identification of Interregional Transmission Projects by Developers:**

Interregional transmission projects proposed for interregional cost allocation purposes (“Interregional CAP”) must be submitted in both the Transmission Provider and the SERTP regional transmission planning processes. The project submittal must satisfy the requirements of Section X.D.1 except for the benefit-to-cost ratio requirements of Section X.D.1.a.ii. The submittal must identify the

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1 A transmission developer is not responsible for determining the benefit-to-cost ratio referenced in Section X.D.1.a.ii in a project submittal. However, an interregional transmission project proposed for Interregional CAP must ultimately satisfy the benefit-to-cost ratio requirements in accordance with the provisions of Section X.D.1.a.ii and X.D.3.
potential transmission project as interregional in scope and identify the Transmission Provider and the SERTP as regions in which the project is proposed to interconnect. The Transmission Provider will verify whether the submittal for the potential interregional transmission project satisfies all applicable requirements. Upon finding that the proposed interregional transmission project satisfies all such applicable requirements, the Transmission Provider will notify the SERTP. Once the potential project has been proposed through the regional transmission planning processes in both regions, and upon both regions so notifying one another that the project is eligible for consideration pursuant to their respective regional transmission planning processes, the Transmission Provider and the SERTP will jointly evaluate the proposed interregional projects pursuant to Sections X.C and X.D.

4. **Evaluation of Interregional Transmission Projects:** The Transmission Provider and the SERTP shall act through their respective regional transmission planning processes in the joint evaluation of potential interregional transmission projects identified pursuant to Sections X.C.1 and X.C.2 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 regional projects. 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 transmission plan(s). The Transmission Provider will
evaluate potential interregional transmission projects consistent with Section I.C.6 and Section II of Attachment FF.

5. **Review of Proposed Interregional Transmission Projects:** Initial coordination activities regarding potential interregional transmission projects will typically begin during the third quarter of each calendar year. The Transmission Provider and the SERTP will exchange status updates regarding interregional transmission projects that are newly proposed or that are currently under consideration as needed. These status updates will generally include, if applicable: (i) an update of the region’s evaluation of the proposal(s); (ii) the latest calculation of benefits (as identified pursuant to Section X.D.2); and (iii) the anticipated timeline for future assessments.

6. **Coordination of Assumptions Used in Joint Evaluation:** The Transmission Provider and the SERTP will coordinate assumptions and data used in joint evaluations, as necessary, including items such as:

   1. Expected timelines and milestones associated with the joint evaluation;
   2. Study assumptions;
   3. Models; and
   4. Benefit calculations (as identified pursuant to Section X.D.2).

D. **Interregional Cost Allocation:** If an interregional transmission project is proposed for Interregional CAP in the SERTP and the Transmission Provider
transmission planning regions, then the following cost allocation and benefits calculations, as identified pursuant to Section X.D.2, shall apply to the project:

1. Interregional Transmission Projects Proposed for Interregional Cost Allocation Purposes:

   a. For a transmission project to be eligible for Interregional CAP within the SERTP and the Transmission Provider, the project must:

      i. Interconnect to transmission facilities in both the SERTP and Transmission Provider regions. The facilities to which the project is proposed to interconnect may be either existing facilities or transmission projects included in the regional transmission plan that are currently under development²

      ii. Have a combined benefit-to-cost ratio of 1.25 or higher to the SERTP and Transmission Provider regions, as calculated in Section X.D.3; and

      iii. Meet the threshold and qualification criteria for transmission projects potentially eligible to be included in the respective regional transmission plans for purposes of cost allocation in the Transmission Provider and the SERTP, pursuant to their respective regional transmission planning processes.

b. On a case-by-case basis, the Transmission Provider and the SERTP may consider an interregional transmission project that does not satisfy all

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² For the MISO region, “under development” refers to Appendix A projects under development approved by the MISO Board of Directors.
of the criteria specified in this Section X.D.1, but that: (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; and (ii) would be interconnected to transmission facilities in both the SERTP and Transmission Provider regions. The facilities to which the project is proposed to interconnect may be either existing facilities or transmission projects included in the regional transmission plan that are currently under development.

c. The transmission project must be proposed for purposes of cost allocation in both the SERTP and the Transmission Provider. The project submittal must satisfy all criteria specified in the respective regional transmission processes, including the respective timeframes for submittals proposed for cost allocation purposes. If a project is proposed by a transmission developer, the transmission developer must also satisfy the qualification criteria specified by each region.

2. Calculation of Benefits for Interregional Transmission Projects Proposed for Interregional Cost Allocation Purposes: The benefits used to establish the allocation of costs of a transmission project proposed for Interregional CAP between the SERTP and the Transmission Provider shall be determined as follows:

a. Each transmission planning 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 transmission plan and, if so, which projects in the regional transmission plan could be displaced by the proposed project(s).

b. Based upon its evaluation, each region will quantify its benefits based upon the transmission costs that each region is projected to avoid due to its transmission projects being displaced by the proposed interregional transmission project as follows:

i. for the SERTP, the total avoided costs of projects included in the then-current regional transmission plan that would be displaced if the proposed interregional transmission project was included; and

ii. for the Transmission Provider, the total avoided costs of projects identified, but not approved, included in the then-current regional transmission plan that would be displaced if the proposed interregional transmission project was included.

The benefits calculated pursuant to this Section X.D.2 are not necessarily the same as the benefits used for purposes of regional cost allocation.

3. Calculation of Benefit-to-Cost Ratio for an Interregional Transmission Project Proposed for Interregional CAP:
Prior to any regional benefit-to-cost ratio calculation pursuant to either regional transmission planning process, the combined interregional benefit-to-cost ratio, referenced in Section X.D.1.a, shall be calculated for an interregional transmission project proposed for Interregional CAP. Such calculation shall be performed by dividing the sum of the present value of the avoided project cost determined in accordance with Section X.D.2.b.i for the SERTP region and the present value of avoided project cost determined in accordance with Section X.D.2.b.ii for the Transmission Provider region by the present value of the proposed interregional transmission project’s total project cost. The present values used in the cost calculation shall be based on a common date, comparable cost components, and the latest cost estimates used in the evaluation of the interregional transmission project. The combined interregional benefit-to-cost ratio will be assessed in addition to, not in the place of, the SERTP’s and the Transmission Provider’s respective regional benefit-to-cost ratio assessment(s) (if applicable) as specified in the respective regional processes.

4. **Inclusion in Regional Transmission Plans:** An interregional transmission project proposed for Interregional CAP in the transmission planning regions of the SERTP and the Transmission Provider 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 including any regional benefit-to-cost ratio calculations. 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 benefits determined pursuant to Section X.D.2). 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 transmission project to each region shall be based upon the ratio of the region’s benefits to the sum of the benefits, both as determined pursuant to Section X.D.2, identified for both the SERTP and the Transmission Provider.

b. Each region has obtained all approvals, as prescribed in its regional process, necessary for a project to be included in the regional transmission plan for purposes of regional cost allocation.

5. Allocation of Costs Between the SERTP and the Transmission Provider

Regions: The cost of an interregional transmission project, selected for purposes of cost allocation in the regional transmission plans of both the SERTP and the Transmission Provider, will be allocated as follows:

a. Each region will be allocated a portion of the interregional transmission project’s costs in proportion to such region’s benefit as calculated pursuant
to Section X.D.2 to the sum of the benefits identified for both the SERTP
and the Transmission Provider calculated pursuant to Section X.D.2.

i. The benefits used for this determination shall be based upon
the benefit calculation most recently performed – pursuant to
the method described in Section X.D.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.

6. Milestones of Required Steps Necessary to Maintain Status as Being
Selected for Interregional Cost Allocation Purposes: Once selected in the
respective regional transmission plans for purposes of cost allocation, the
transmission owners in the SERTP planning region that will be allocated costs
of the transmission project, the Transmission Provider, and the transmission
developer(s) must mutually agree upon an acceptable development schedule
including milestones by which the necessary steps to develop and construct
the interregional transmission project must occur. These milestones may
include (to the extent not already accomplished) obtaining all necessary
rights-of-way and requisite environmental, state, and other governmental
approvals and executing a mutually-agreed upon contract(s) between the
applicable transmission owners in the SERTP planning region, the
Transmission Provider and the transmission developer. If such critical steps are not met by the specified milestones and then afterwards maintained, then the Transmission Provider and the SERTP may remove the transmission project from the selected category in the regional transmission plans for purposes of cost allocation.

7. **Interregional Transmission Project Contractual Arrangements:** The contracts referenced in Section X.D.6 will address terms and conditions associated with the development of the proposed interregional transmission project included in the regional transmission plans for purposes of cost allocation, including but not limited to:

a. Engineering, procurement, construction, maintenance, and operation of the proposed transmission project, including coordination responsibilities of the parties;

b. Emergency restoration and repair;

c. The specific financial terms and specific total amounts to be charged by the transmission developer of the transmission project to each beneficiary, as agreed to by the parties;

d. Creditworthiness and project security requirements;

e. Milestone reporting, including schedule of projected expenditures;

f. Reevaluation of the transmission project; and

g. Non-performance or abandonment.
8. **Removal from Regional Transmission Plans:** An interregional transmission project may be removed from the SERTP’s or the Transmission Provider’s regional transmission plan(s) for Interregional CAP: (i) if the transmission 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 Transmission Provider shall notify the SERTP if an interregional transmission project or a portion thereof is likely to be, and/or is actually removed from its regional transmission plan.

**E. Transparency**

1. Stakeholders will have an opportunity to provide input and feedback within the respective regional transmission planning processes of the SERTP and the Transmission Provider related to interregional transmission projects 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 SERTP and the Transmission Provider.

2. The Transmission Provider shall use the existing planning stakeholder forums, such as the Planning Advisory Committee and Sub-regional
Planning Meetings, to review with stakeholders the interregional activities associated with the SERTP.

3. The Transmission Provider will post a list, on the Regional Planning Website, of interregional transmission projects proposed for purposes of cost allocation in both the Transmission Provider and the SERTP regions that are not eligible for consideration because they do not satisfy the regional project threshold criteria of one or both of the regions as well as post an explanation of the thresholds the proposed interregional projects failed to satisfy.
ATTACHMENT FF

TRANSMISSION EXPANSION PLANNING PROTOCOL

I. Transmission Expansion Plan - Purpose and Scope, Definition and Role of OMS Committee: This Attachment FF describes the process to be used by the Transmission Provider to develop the MISO Transmission Expansion Plan (“MTEP”), subject to review and approval by the Transmission Provider Board. The provisions of this Attachment FF are consistent with the applicable provisions of Appendix B of the ISO Agreement and this Tariff. For purposes of this Attachment FF, all references to Transmission Owner(s) will include ITC(s). The costs incurred by the Transmission Provider in the performance of data collection, analyses and review, and in the development of the MTEP report, costs incurred under Section I.C of this Attachment FF, and costs incurred under Section I.D of this Attachment FF shall be recovered from all Transmission Customers under Schedule 10 of the Tariff.

A. Enrollment Process: The MTEP is developed to facilitate the timely and orderly expansion of and/or modification to the Transmission System to maintain reliability, promote efficiency in bulk power markets and facilitate compliance with applicable Federal and state laws, regulatory mandates and regulatory obligations. Any transmission provider that wishes to enroll in the Transmission Provider planning process for purposes of Order No. 1000 compliance must become a Transmission Owner, by signing the ISO Agreement, and by, within a reasonable period of time: (1) turning over functional control of its transmission facilities to the Transmission Provider; and (2) taking service under this Tariff for all its load that is physically located within the geographic area comprising the Transmission System. All Transmission Owners enrolled in the Transmission Provider’s transmission planning region are listed in either
(1) Attachment FF-4 of this Tariff, for Transmission Owners without a separately filed local planning process or (2) Attachment FF-5 of this Tariff, for Transmission Owners with a separately filed local planning process.

B. OMS Committee Input to MTEP Process: To the extent not otherwise specifically addressed in other portions of this Attachment FF, with respect to the MTEP process, the OMS Committee may provide input to the Transmission Provider planning staff and the System Planning Committee of the Transmission Provider Board, as appropriate, regarding the following:

1. At the start of a planning cycle, the OMS Committee may suggest to the Transmission Provider Board modifications to the Transmission Provider’s planning principles and planning objectives for that planning cycle;

2. At the start of a planning cycle, the OMS Committee may suggest additional scope elements in the MTEP;

3. Modeling inputs or assumptions used in the development of the MTEP and related appropriate cost/benefit analyses with respect to certain projects that are not proposed strictly for reliability; and

4. Concerns about general or specific issues with the MTEP process as they arise during the planning year.

Furthermore, at the end of the MTEP development process, but before the MTEP is submitted to the Transmission Provider Board for its review, the OMS Committee may submit a reconsideration request to the Transmission Provider planning staff, which shall respond prior to
submitting the final MTEP report to the Transmission Provider Board. This reconsideration request can be made only with respect to Network Upgrades eligible to receive regional cost allocation under Attachment FF if such projects: (1) will be recommended to the Transmission Provider Board for MTEP Appendix A approval, but have not been considered through the complete MTEP process or (2) will have a change in project cost of twenty-five percent (25%) or greater between the final Subregional Planning Meeting in the current planning year and the project being submitted to the Transmission Provider Board for approval. The Transmission Provider shall consider such a reconsideration request only if it is endorsed by the OMS acting by a vote of sixty-six percent (66%) or more of the OMS members.

At the end of each MTEP cycle, the OMS Committee may submit its assessment of the MTEP process to the Planning Advisory Committee, Transmission Provider, and the System Planning Committee of the Transmission Provider Board. Upon receipt of any such assessment from the OMS Committee, the Transmission Provider planning staff shall provide an appropriate response in a reasonably timely manner.

The manner in which the OMS Committee shall provide its assessment shall be set forth in the Transmission Planning Business Practices Manual procedures. The general procedures adopted with respect to the OMS Committee input into the MTEP shall remain unchanged until June 1, 2015, unless otherwise mutually agreed to by the Transmission Provider and the OMS Committee. Changes to the Transmission Planning Business Practices Manual procedures which describe OMS Committee input into the MTEP process may not be adopted with less than sixty

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(60) days’ notice to the OMS Committee unless the OMS Committee consents to such earlier adoption. At the end of the two year period the Transmission Provider, the OMS, and other stakeholders will assess the success of the input procedures and provide suggestions for improvement.

C. Development of the MTEP: The Transmission Provider, working in collaboration with representatives of the Transmission Owners, OMS, and the Planning Advisory Committee, shall develop the MTEP, consistent with Good Utility Practice and taking into consideration long-range planning horizons, as appropriate. The Transmission Provider shall develop the MTEP for expected use patterns and analyze the performance of the Transmission System in meeting both reliability needs and the needs of the competitive bulk power market, under a wide variety of contingency conditions. The MTEP will give full consideration to the needs of all Market Participants, will include consideration of demand-side options, and will identify expansions or enhancements needed to i) support competition and efficiency in bulk power markets; ii) comply with Applicable Laws and Regulations; and iii) maintain reliability. This analysis and planning process shall integrate into the development of the MTEP among other things:

(i) the Transmission Issues identified from Facilities Studies carried out in connection with specific transmission service requests; (ii) Transmission Issues associated with generator interconnection service; (iii) the Transmission Issues, including proposed transmission projects, identified by the Transmission Owners in connection with their planning analyses in accordance with local planning process described in Section I.D.1.a to this Attachment FF and the coordination processes of Section I.D.1.b., or developed by...
Transmission Owners utilizing their own FERC-approved local transmission planning process described in Section I.D.2, as applicable, to provide reliable power supply to their connected load customers and to expand trading opportunities, better integrate the grid and alleviate congestion; (iv) the transmission planning obligations of a Transmission Owner, imposed by federal or state law(s) or regulatory authorities, which can no longer be performed solely by the Transmission Owner following transfer of functional control of its transmission facilities to the Transmission Provider; (v) plans and analyses developed by the Transmission Provider to provide for a reliable Transmission System and to expand trading opportunities, better integrate the grid and alleviate congestion; (vi) the identification, evaluation, and analysis of expansions to enable the Transmission System to fully support the simultaneous feasibility of all Stage 1A ARRs; (vii) the inputs provided by the Planning Advisory Committee; (viii) the inputs, if any, provided by the state and local regulatory authorities having jurisdiction over any of the Transmission Owners; (ix) the inputs of the OMS Committee; and (x) the transmission needs driven by public policy requirements selected to be included as Transmission Issues pursuant to Section I.C.1.b.ii in accordance with Applicable Laws and Regulations.

1. Planning Cycle and Milestones: The ISO Agreement requires that a regional transmission plan be developed biennially or more frequently. An MTEP planning cycle is established for each calendar year. The development of the MTEP for a planning cycle with a given calendar year designation begins on June 1 of the year prior to the MTEP calendar year designation and ends with the approval of the final MTEP report by the Transmission Provider Board. This approval typically occurs at the
Transmission Provider Board Meeting in December of the MTEP designated year. For example, the development of the MTEP14 transmission plan will commence on June 1 of 2013 and typically end with approval in December 2014. The development of the MTEP will follow specified process steps that are detailed, including process diagrams, in the Transmission Provider’s Transmission Planning Business Practices Manual (“TPBPM”). The TPBPM shall be posted on the website of the Transmission Provider.

a. Planning Functions: The planning process includes the following functions which are described in detail in the TPBPM:

i. Model Development;

ii. Generator Interconnection Planning;

iii. Transmission Service Planning;

iv. Cyclical Regional Expansion Planning activities;

v. Interregional coordination with neighboring transmission planning regions;

vi. System Support Resource (“SSR”) Studies for unit decommissioning;

vii. Transmission-to-Transmission Interconnections;

viii. Load Interconnections; and

ix. Focus Studies. These are studies initiated during the cyclical baseline planning process that cannot be delayed until the next planning cycle (for example, NERC/FERC directives, or near-term critical operational issues).
Each of these planning functions may develop system expansions that are taken into consideration in developing the entirety of the MTEP.

b. Planning Cycle: The regional planning process is performed through a continuous series of planning cycles, with each cycle typically addressing Transmission Issues through a rolling planning horizon. Each cycle commences with regional model development, identification of potential expansions from the local planning processes of the Transmission Owners, identification and selection of transmission needs driven by public policy requirements pursuant to Section I.C.1.b.ii to be included as Transmission Issues, and identification by stakeholders or the Transmission Provider of potential expansions that address the Transmission Issues. Each cycle concludes with recommendations to the Transmission Provider Board of recommended solutions to the Transmission Issues evaluated. Transmission Owner plans developed through local planning processes described in Section I.D.1.a are included in the beginning of each regional planning cycle as potential alternatives to local Transmission Issues identified by the Transmission Owners.

i. Key Planning Cycle Milestones: The regional planning process evaluates, with stakeholder input throughout the cycle, the local plans of the Transmission Owners, as one input to the development of the regional plan. Key milestones in the typical MTEP development process are listed below and requirements and timelines for data submittal, review, and comment at each of these milestone points are described in the TPBPM:
(a). Model development;

(b) Identification and selection of transmission needs driven by public policy requirements pursuant to Section I.C.1.b.ii to be included as Transmission Issues;

(c). Testing models against applicable planning criteria;

(d). Development of possible solutions to identified Transmission Issues;

(e). Selection of preferred solution;

(f). Determination of funding and cost responsibility; and

(g). Monitoring progress on solution implementation.

ii. Transmission needs driven by public policy requirements: The process for selecting transmission needs driven by public policy requirements, out of the larger set of transmission needs driven by public policy requirements that stakeholders may propose, to be included in the Transmission Issue(s) for which transmission solutions will be evaluated shall be as follows:

a. At the beginning of the MTEP cycle, stakeholders submit to the Transmission Provider, proposals to consider transmission needs driven by public policy requirements, as part of the Transmission Issues they may raise, in accordance with Section I.C.2.b, through Sub-Regional Planning Meetings, the Planning Subcommittee and/or the
Planning Advisory Committee. The Transmission Provider may also identify transmission needs driven by public policy requirements to be evaluated.

b. The Transmission Provider will then consolidate all such identified transmission needs driven by public policy requirements that it receives into a list that will be distributed to stakeholders through the Planning Subcommittee and/or the Planning Advisory Committee and to other stakeholder forums as the Transmission Provider deems necessary.

c. Transmission needs driven by public policy requirements will be discussed in the Sub-Regional Planning Meetings, Planning Subcommittee and/or the Planning Advisory Committee in accordance with Section I.C.2.b.

d. The Transmission Provider will assess such identified transmission needs driven by public policy requirements that it receives, considering the feedback received from stakeholders and the Sub-Regional Planning Meetings, Planning Subcommittee and/or the Planning Advisory Committee, and select the public policy requirements that will be further studied in the MTEP process. This selection will be based on:
1. the effective dates, nature and magnitude of the public policy requirements in the Applicable Laws and Regulations;

2. the immediacy or other estimated timing, and extent, of the potential impact on the identified transmission needs;

3. the availability of the resources, and any limitations thereto, that would be required by consideration of such transmission needs driven by public policy requirements;

4. the relative significance of other Transmission Issues that have been raised for consideration; and

5. other appropriate factors that can aid the prioritization of Transmission Issues to be considered by the regional transmission planning process.

iii. The Transmission Provider shall address each of these milestones throughout the planning cycle through Sub-regional Planning Meetings, Planning Subcommittee and Planning Advisory Committee meetings.

2. Stakeholders Input in Planning Process: The Transmission Provider shall facilitate discussions with its Transmission Customers, Transmission Owners, OMS Committee, and other stakeholders about the Transmission Issues and solutions involving
both transferred and non-transferred facilities, as described in Section I.D.1 of this Attachment FF.

These discussions will take place at Sub-regional Planning Meetings and at regularly scheduled meetings of the Transmission Provider’s Planning Subcommittee, at locations provided by the Transmission Provider and with communication capabilities for those participants unable to have in person representation at these meetings. Once the MTEP report for a specific planning cycle has been completed but prior to recommendation to the Transmission Provider Board for approval, the Transmission Provider shall seek feedback on the proposed MTEP, including Network Upgrades recommended for approval, from the Transmission Provider’s stakeholders and the OMS Committee.

a. Planning Advisory Committee (“PAC”): The Planning Advisory Committee is a standing committee reporting to the Transmission Provider’s Advisory Committee, and functions subject to the Stakeholder Governance Guide developed by the Stakeholder Governance Working Group, as approved by the Advisory Committee. The PAC is responsible for addressing planning policy issues of importance to stakeholders and within the responsibilities of the Transmission Provider. The PAC charter is maintained on the Transmission Provider’s website.

b. Planning Subcommittee (“PS”): The Planning Subcommittee is a standing stakeholder-chaired subcommittee of the Planning Advisory Committee, and functions subject to the Stakeholder Governance Guide developed by the Stakeholder Governance Working Group, as approved by the Advisory
Committee. Planning Subcommittee membership is open to interested parties, including, but not limited to: transmission delivery service and interconnection service customers, marketers, developers, Transmission Owners, state and local regulatory authorities, federal regulatory staff, other Market Participants, and all interested parties. The charter for the committee is developed by stakeholders and is maintained on the Transmission Provider’s website. The Transmission Provider will seek guidance from Transmission Owners, state and local regulatory authorities, and other stakeholders through the Planning Subcommittee and/or the Planning Advisory Committee prior to the beginning of each new planning cycle. Guidance will include the scope of planning studies to be undertaken, the development of future scenarios to be modeled and analyzed in long-term planning studies, and the development of suitable models and assumptions to support such studies. The Transmission Provider will also seek guidance from Transmission Owners, state and local regulatory authorities, and other stakeholders through the Planning Subcommittee and/or the Planning Advisory Committee prior to implementing changes or revisions to the scope, models, and assumptions during the planning cycle. The Planning Subcommittee and/or the Planning Advisory Committee may form working groups at the discretion of stakeholders to perform specific tasks supporting the planning processes, such as model development and detail review of study results and draft plan reports.

c. Sub-regional Planning Meetings (“SPMs”): The Transmission Provider shall utilize SPMs to provide opportunity for Transmission Owners, state and
local regulatory authorities, and other stakeholders to provide input to the planning process, and to carry out the tasks of coordinating transmission plans among the Transmission Owners and proposals to address the Transmission Issues identified in the scope of transmission planning studies. Input and planned coordination may occur through the use of existing sub-regional planning groups (“SPGs”) where they exist, or through the establishment of new sub-regional meeting forums. One or more SPMs will be used or established for each of the four regional Planning Sub-regions of the Transmission Provider. Planning Sub-regions shall be defined based upon the Transmission Provider Planning Sub-regions: West, Central, South, and East as defined in Attachment FF-3.

i) SPM Participants: Participants at an SPM will consist of representatives of the Transmission Owners operating within the associated Planning Sub-region that integrate their local planning processes with the regional process, representatives from state and local regulatory authorities, and any other parties interested in or impacted by the planning process. For those Transmission Owners engaged in local planning under their own FERC approved local planning processes, such Transmission Owners shall participate in the SPM in order to coordinate their planning activities.

Neighboring transmission-owning utilities and regulatory participants are eligible and encouraged to participate in the SPM to promote joint

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planning between the Transmission Provider and neighboring transmission systems.

ii) SPM Guidelines. The Sub-regional Planning Meeting participants shall:

(a) Make recommendations for a coordinated sub-regional Plan, after considering sub-regional and regional needs and alternatives, for the ensuing ten years, for all transmission facilities in the sub-region; (b) Review and comment on proposed Transmission Owners plans identified in local planning processes described in Section I.D.1.a. of this Attachment FF, for additions and modifications to the sub-regional transmission system, as potential solutions to identify Transmission Issues and review the transmission plans developed by those Transmission Owners that have their own FERC-approved local planning process (described in Section I.D.2) to ensure coordination of the projects set forth in such plans with the potential regional planning solutions developed in the SPM process consistent with the requirements of Appendix B of the Transmission Owners’ Agreement; (c) Form technical study task forces as required to carry out the sub-regional planning responsibilities;

(b) Encourage non-Transmission Provider member participation to improve understanding by the SPM participants,
the Planning Subcommittee, and the Transmission Provider staff of facility changes outside the Transmission Provider Region to ensure the impact of such changes are considered in the planning studies;

(c) Promote other stakeholder (i.e., environmental agencies, and load and generation developers) involvement in development of the sub-regional plans.

(d) Recommend to the Planning Subcommittee proposed sub-regional plans to be included in the MTEP. In addition, the transmission projects developed by any Transmission Owner or Owners utilizing the provisions of their own FERC-approved local planning process shall be submitted for inclusion in the regional MTEP after being evaluated by the Transmission Provider in the regional evaluation of SPMs in accordance with Appendix B of the Transmission Owners’ Agreement in determining the Transmission Provider’s recommendation for inclusion in the MTEP.

(e) Reflect, as desired, minority opinions to the Transmission Provider or the Planning Subcommittee.

(f) SPM Frequency, Location and Agenda: SPMs should meet at least two times per year or as otherwise provided for in the TPBPM, to provide input in the planning process, review plans and
recommend changes, if any, needed to address stakeholder needs and to coordinate proposed plans.

Meetings involving CEII or confidential materials shall be handled under Section I.C.12 of this Attachment FF.

3. Meeting Notifications: Notice shall be provided by way of email exploder lists distribution by the Transmission Provider of all SPMs, Planning Subcommittee, and Planning Advisory Committee meetings. These email exploder lists are established and maintained by the Transmission Provider and it is the responsibility of stakeholders to have registered as described on the Transmission Provider website. Meeting dates, times, locations, and materials will also be posted on the meeting calendar page of the Transmission Provider’s website. Meeting notification guidelines are set forth in the stakeholder developed Stakeholder Governance Guidelines.

4. Other Meeting Schedules: Planning Subcommittee meetings are regularly scheduled meetings that occur no less than bimonthly. Annual meeting schedules and objectives are developed at the December meeting each year for the subsequent year. Planning Advisory Committee meetings are scheduled as per the PAC Charter.

5. Planning Criteria: The Transmission Provider shall evaluate the system to address Transmission Issues in a manner consistent with the ISO Agreement and this Attachment FF. Projects included in the MTEP may be based upon any applicable planning criteria, including accepted NERC reliability standards and reliability standards adopted by Regional Entities, local planning reliability or economic planning criteria of the Transmission Owner, or required by State or local authorities, any economic or other
planning criteria or metrics defined in this Attachment FF, and any Applicable Laws and Regulations. Transmission Owners are required to annually provide updated copies of local planning criteria for posting on the Transmission Provider’s website.

The Transmission Provider will post on its website an explanation of which transmission needs driven by public policy requirements will be evaluated for potential solutions in the local or regional transmission planning process, as well as an explanation of why other suggested potential transmission needs will not be evaluated.

6. Planning Analysis Methods: Planning analyses performed by the Transmission Provider will test the Transmission System under a wide variety of conditions as described in Section II and using standard industry applications to model steady state power flow, angular and voltage stability, short-circuit, and economic parameters, as determined appropriate by the Transmission Provider to be compliant with applicable criteria and this Tariff.

7. Planning Models: The Transmission Provider shall collaborate with Transmission Owners, other transmission providers, Transmission Customers, and other stakeholders to develop appropriate planning models that reflect expected system conditions for the planning horizon. The planning models shall reflect the projected Load growth of existing Network Customers and other transmission service and interconnection commitments. The models shall include any transmission projects identified in Service Agreements or Interconnection Agreements that are entered into in association with requests for transmission delivery service or interconnection service, as determined in Facilities Studies associated with such requests. Load forecasts applied to models will
consider the forecast Load of Network Customers reported to the Transmission Provider in accordance with the requirements of Module B and RAR of this Tariff, and the Business Practices Manuals of the Transmission Provider. Models will be posted on an FTP site maintained by the Transmission Provider and accessible to stakeholders with security measures as provided for in the TPBPM. The Transmission Provider will provide an opportunity for stakeholders to review and comment on the posted models before commencing planning studies.

The schedules for such reviews are maintained in the TPBPM. Stakeholders shall be afforded opportunities to provide input on Load projections from Tariff reporting requirements or from Transmission Owner forecasts. After the base line forecast and model are established, the Transmission Provider and/or Transmission Owners may adjust the forecast as necessary on an ad hoc basis throughout the planning year to address customer requests for new Load interconnections arising from on-going dialogue with existing and prospective customers.

8. Planning Assumptions: Each MTEP report shall list in detail the planning assumptions upon which the analyses are based. In general, planning analyses will be based on the following:

a. Planning Horizons: The MTEP will identify Transmission Issues for a minimum planning horizon of five years and a maximum planning horizon of twenty years.

b. Load: Load demand will generally be modeled by the Transmission Provider as the most probable (“50/50”) coincident Load projection for each
Transmission Owner’s service territory, for the season under study. Specific studies may model alternative Load probabilities or peak Load for areas within a Transmission Owner’s service territory as dictated by operational and planning experience and/or local planning criteria, but in any case shall be treated consistently in the planning for native Load and transmission access requests.

c. Generation: Planning models of five years or longer will model generation, taking into consideration applicable planning reserve requirements, that are: (i) existing and expected to be in existence in the planning horizon; (ii) not existing but with executed interconnection agreements; and (iii) additional generation as determined with stakeholder input, as necessary to adequately and efficiently meet demand forecasted through the planning horizon and to facilitate compliance with statutory or regulatory mandates. The Transmission Provider shall apply a scenario analysis to determine alternative future generation portfolio possibilities.

Generation portfolio development for planning model purposes will be developed with input from the Planning Advisory Committee and its subcommittees, working groups, and task forces. Point-To-Point Transmission Service and Network Integration Transmission Service customers will have an opportunity to guide new generation portfolio development that is reflective of customer future resource plans.

d. Demand Response Resources: Planning solutions will be based upon the best available information regarding the expected amount and location of Load
that can be effectively and efficiently reduced by demand response or energy efficiency programs, as well as the amount of behind-the-meter generation that can reliably be expected to produce Energy that could impact planning solutions. The Transmission Provider shall perform and report on sensitivity analyses that indicate the effectiveness of potential demand response as alternative planning solutions, to the extent that appropriate methodology for such analyses is developed with stakeholders and documented in the TPBPM.

e. Topology: Each planning study will use the best known topology based upon the most recently approved MTEP. Planning studies will include all projects approved by the Transmission Provider Board, and shall identify, as appropriate, and as detailed in the TPBPM, any system needs already identified in the most recent approved MTEP.

9. Evaluation of Alternatives: When the planning analyses, based on the foregoing principles, identifies Transmission Issues, the Transmission Provider will consider the inputs from stakeholders derived from the SPM processes, the inputs from the Planning Subcommittee and the Planning Advisory Committee, the plans of any Transmission Owner with its own FERC-approved local planning process, and the MTEP aggregate system analyses against applicable planning criteria, in determining the solutions to be included in the MTEP and recommended to the Transmission Provider Board for implementation.

10. Facility Design: Facility design and system configuration (such as conductor sizes, transformer design, bus configuration, protection schemes) are selected by the
Transmission Owner, and must be consistently applied by the Transmission Owner for comparable system service conditions. Comparable application of system design does not preclude the consideration or selection of advanced or alternative transmission technology. For New Transmission Facilities associated with Open Transmission Projects, the Transmission Provider may provide limitations or requirements regarding facility design when necessary due to a planning driver or to ensure compatibility with existing transmission facilities to which the New Transmission Facilities will interconnect as further described in Section VIII.D of this Attachment FF.

11. Status of Recommended Facilities: Upon solicitation from the Transmission Provider and upon reaching pre-designated milestones in the project implementation process, the responsible Transmission Owner or Selected Transmission Developer shall report the status of all projects recommended for implementation in the MTEP. Status reports shall, at a minimum, include: (i) changes to the schedule and to the estimated project cost; (ii) an explanation of the causes of, or reasons for, any such changes; and (iii) changes in project status (i.e., under construction, in service, or withdrawn). The Transmission Provider shall report such progress to the Transmission Provider Board on a quarterly basis, or as otherwise directed by the Transmission Provider Board. The Transmission Provider shall also post all such progress reports on the Transmission Provider’s website on a quarterly basis.

a) Status of Developer Qualifications: Upon solicitation from the Transmission Provider and upon reaching pre-designated milestones in the project implementation process, Selected Transmission Developers shall report the
following: (i) changes to the developer qualifications, as defined in the

Binding Proposal Agreement, including changes in the developer constructing
the project; (ii) an explanation of the causes of, or reasons for, such changes;
and (iii) an assessment of the impact of the changes on the project. The
Transmission Provider shall report such changes and any impact to the
Transmission Provider Board on a quarterly basis, or as otherwise directed by
the Transmission Provider Board. Pre-designated milestones in the project
implementation process of a typical MTEP development process are listed
below. Requirements and timelines for data submittal, review, and comment
at each of these milestone points are described in the TPBPM.

i. Milestone 1: Final Sub-regional Planning Meeting / Out of Cycle
   Request Submittal

ii. Milestone 2 a: Pre-project approval

iii. Milestone 2b: Developer selection (Only applicable to Open
    Transmission Projects, which by definition will proceed through the
    Transmission Provider’s inclusive evaluation process to select the
    Selected Transmission Developer)

iv. Milestone 3: Long lead materials

v. Milestone 4: Pre-construction

vi. Milestone 5: Facility completion

12. Treatment of Critical Energy Infrastructure Information ("CEII") and Confidential
Data: The Transmission Provider shall utilize a Non-Disclosure and Confidentiality
Agreement (“NDA”) to address sharing of CEII transmission planning information. FTP sites containing such information will require such agreements to be executed in order to obtain access to those sites. Stakeholder meetings at which CEII may be available shall be noticed to email exploders and shall require execution of NDAs prior to participation in such meetings. In the alternative, such meetings will be structured to have separate discussion of issues involving CEII data only with participants that agree to execute the NDA. Confidential information related to economic (e.g., congestion) studies, as well as CEII, is clearly sensitive information which must remain confidential. The Transmission Provider shall use generic, publicly available, cost information from industry sources in the economic studies to prevent the accidental release of confidential information. This approach will promote an open planning process because the results of economic studies are available to all interested parties.

13. Resolution of Stakeholder Input: The Transmission Provider shall solicit input and comments from all stakeholders, including Transmission Owners, during and after stakeholder planning meetings, and will use reasonable efforts to reply to comments that the Transmission Provider does not elect to implement, together with reasons for such actions. The Transmission Provider shall develop a process for the documentation and resolution of stakeholder issues raised in the planning process, including but not limited to issues related to planning criteria.

14. Dispute resolution: Consistent with Attachment HH of this Tariff, the Transmission Provider shall resolve disputes concerning MTEP issues. The first step will be for designated representatives of the affected parties to work together to resolve the
relevant issues in a manner that is acceptable to all parties. If that step is unsuccessful, each affected party shall designate an officer who shall review disputes involving them that their designated representatives are unable to resolve. The applicable officers of the parties involved in such dispute shall work together to resolve the disputes so referred in a manner that meets the interests of such parties, either until such agreement is reached, or until an impasse is declared by any party to such dispute. If such officers are unable to satisfactorily resolve the issues, the matter shall be referred to mediation. Parties that are not satisfied with the dispute resolution procedures may only file a complaint with the Commission during the negotiation or mediation steps.

If a matter remains unresolved, the affected parties may pursue arbitration.

**D. Project Coordination:** In the course of the MTEP process, the Transmission Provider shall seek out opportunities to coordinate or consolidate, where possible, individually defined transmission projects into more comprehensive cost-effective developments subject to the limitations imposed by prior commitments and lead-time constraints. The Transmission Provider shall coordinate with Transmission Owners, and shall consider the input from the SPMs, Planning Subcommittee, and Planning Advisory Committee to develop expansion plans to meet the needs of the system. This multi-party collaborative process will allow for all projects with regional and inter-regional impact to be analyzed for their combined effects on the Transmission System. Moreover, this collaborative process is designed to ensure that the MTEP address Transmission Issues within the applicable planning horizon in the most efficient and cost effective manner, while giving consideration to the inputs from all stakeholders. In addition to the requirements of this Attachment FF, there may be state or local procedural requirements
applicable to the planning or siting of transmission facilities by the Transmission Owners. A
current list of those requirements can be found on the Transmission Provider’s website.

1. Transmission Owners Electing to Integrate their Local Planning Processes into the
Transmission Provider’s Processes: Some Transmission Owners have agreed to integrate
internal planning process with the Transmission Provider’s open and coordinated
planning processes for all of their transmission facilities to comply with Order 890
Planning Principles instead of filing a separate Attachment K. Through this election, the
local planning for all transmission facilities of these Transmission Owners, regardless of
whether the facilities are ultimately transferred to the functional control of the
Transmission Provider, shall be integrated with and included in the regional planning
processes of the Transmission Provider. These regional planning processes, as provided
for in this Attachment FF and in additional detail in the TPBPM, ensure that the planning
decisions for all such facilities are made in an open and transparent environment.
This planning environment provides opportunity for input from, and review by,
stakeholders of the Open Access Transmission Tariff services throughout the planning
process, and is in accordance with the Planning Principles of the Order 890 Final Rule.
The open and transparent planning provisions of this Attachment FF shall not preclude
interaction between stakeholders and Transmission Owners prior to the submittal of
proposed projects to the regional planning process.
Transmission Owners integrating local planning processes into the regional planning
processes are listed in Attachment FF-4. Such Transmission Owners shall be responsible
for providing the Transmission Provider with sufficient information regarding all
planning activities to enable the Transmission Provider to adequately review and incorporate all of the Transmission Owner’s transmission facilities into the regional planning process of the Transmission Provider, as described in Sections I.B.1.a. and I.D.1.b. of this Attachment FF.

The foregoing Transmission Owners will utilize the planning stakeholder forums of the Transmission Provider to demonstrate the need for, identify the alternatives to, and report the status of non-transferred transmission facilities using the same open, transparent and coordinated planning process provided by the Transmission Provider for transferred facilities as described in this Attachment FF.

a. Local Planning Processes of Transmission Owners: In accordance with the ISO Agreement, each Transmission Owner engages in local system planning in order to carry out its responsibility for meeting its respective transmission needs in collaboration with the Transmission Provider subject to the requirements of applicable state law or regulatory authority. In meeting its responsibilities under the ISO Agreement, the Transmission Owners may, as appropriate, develop and propose plans involving modifications to any of the Transmission Owner’s transmission facilities which are part of the Transmission System. The Transmission Owners shall include the following specific local planning steps in order to develop plans for potential inclusion in the regional plan, in accordance with the annual regional planning process as described in Section I.D.1.b. of this Attachment FF, and in accordance with the regional planning principles of Section I.C of this Attachment. In addition to the local planning steps
below, Transmission Owners shall adhere to any applicable state or local regulatory planning processes.

i. Define local study area and study horizon;

ii. Develop appropriate power system models;
   a) Utilize existing NERC or Transmission Provider cases to model external systems;
   b) Insert detailed model of Transmission Owner system if required;
   c) Insert updated detailed models of neighboring system models if required; and
   d) Verify model topology and generation.

iii. Update loads (spatial and magnitude) in study area;
   a) Review historical MW and MVAR data to develop growth trends;
   b) Obtain Load forecasts from customers in study area; and
   c) Obtain input from local distribution planners in the study area.

iv. Perform contingency analysis using applicable Transmission Owner planning criteria;

v. Identify any violations to planning criteria for each of study period;

vi. Develop alternative solutions to the criteria violations and test against the planning criteria;
   a) Obtain cost estimates for each alternative and perform economic analyses; and
b) Determine non-cost attributes of each alternative such as operating flexibility, robustness, among others.

vii. Select alternative based on cost and non-cost attributes;

viii. Submit proposed solution and list of alternatives and assumptions to the Transmission Provider;

ix. Participate in stakeholder evaluations and discussions as a part of annual regional plan development process;

x. Perform additional analysis as required based on feedback from stakeholder groups (SPM/PS) in the regional planning process;

xi. Submit results of additional analysis (if performed) to the Transmission Provider for further discussion with stakeholders (SPM/PS);

xii. Consider regional planning process results, including stakeholder feedback on needs, proposed solutions, and alternatives, in determining whether or not to proceed with implementation of Transmission Owner proposed expansions; and

xiii. Post the planning criteria and assumptions, and power flow models used in development of each Transmission Owner’s current local planning proposal in accordance with Section I.D.1.b below. To the extent that the Transmission Owner uses the MISO MTEP models in developing its list of newly proposed projects, the Transmission Owner shall indicate as per Section I.D.1.b. below, the associated MTEP model used.

The Transmission Provider will maintain a link to applicable MTEP models on its website together with instructions for accessing such models consistent with CEII
criteria and suitable non-disclosure agreements. In the event that the Transmission Owner applies its own power flow models in developing its proposed local plans, the Transmission Owner shall provide such models to the Transmission Provider for posting, or shall provide to the Transmission Provider a link to the location of such Transmission Owner model(s) and to instructions for accessing such models consistent with the Transmission Owner’s CEII and non-disclosure requirements. Transmission Provider shall post on its website links to such postings on Transmission Owner’s website.

b. Integration of Local Planning Processes of Transmission Owners: Transmission Owners listed on Attachment FF-4 as integrating local planning processes with those of the Transmission Provider, shall integrate proposals for transmission expansions into the regional planning process as follows. Each Transmission Owner shall submit its proposals for transmission plans to the Transmission Provider prior to the start of each regional planning cycle. Each Transmission Owner’s local plan, which consists of a list of proposed projects, shall be made available on the Transmission Provider’s website for review by the PAC, the PS, and the SPM participants, subject to CEII and the confidentiality provisions in this Attachment FF. Such local plans shall be posted by September 15 each year in order to provide time for written comments by stakeholders. In addition to the list of proposed projects, each Transmission Owner submitting newly proposed projects by September 15 in any MTEP annual cycle shall provide to the Transmission Provider by June 1 of the same year identification of any MISO base power flow model used by the Transmission Owner in support of the identification of the list of
proposed projects to be subsequently posted in September, or in the event that the Transmission Owner uses a non-MISO base power flow model in support of the identification of the list of proposed projects the Transmission Owner shall provide to the Transmission Provider such base power flow model or a link to the power flow model and assumptions used.

Each Transmission Owner’s local planning model and associated assumptions shall be accessible on or through a link on the Transmission Provider’s website for review, subject to CEII and the confidentiality provisions in this Attachment FF and consistent with section I.D.1.a. In the event that the Transmission Owner uses a non-MISO base power flow model, the Transmission Owner shall provide for posting updates if there are significant changes in the model by July 15, August 15, and September 15 of each year.

Comments by stakeholders on the local planning models and assumptions that are provided to the Transmission Provider SPM Planning Contact by July 1, or August 1 or September 1 with respect to updates, shall be forwarded to the applicable Transmission Owner by July 8, August 8, or September 8, respectively. The Transmission Provider shall address any unresolved stakeholder issues through the SPM process.

Each Transmission Owner shall also provide to the Transmission Provider by June 1 of each year any updates to the posted transmission planning criteria, or a notification that the posted documents have not changed. In the event a Transmission Owner has additional significant updates to the posted transmission planning criteria, the Transmission Owner shall provide such updates for posting by July 15, August 15, and September 15 of each year.
The Transmission Provider shall post on its website the lists of newly proposed projects, criteria and assumptions, and supporting base power flow models or links to supporting base power flow models, as provided by the Transmission Owners. Initial comments by stakeholders to the proposed projects should be provided to the Transmission Provider SPM Planning Contact 45 days after the posting of local plans otherwise comments may be made pursuant to Section I.C.2.c.ii. The Transmission Provider SPM Planning Contact shall be identified on the Transmission Provider’s web site page devoted to Expansion Planning. The Transmission Provider shall provide to the applicable Transmission Owner within five working days of receipt, a copy of all stakeholder comments received within 45 days of the posted information regarding Transmission Owner planning criteria and assumptions, models applied, and list of proposed projects. The Transmission Provider shall address any unresolved stakeholder issues through the SPM process. Each Transmission Owner must participate in SPMs in the respective Planning sub-region as indicated in the Transmission Providers meeting schedule. Such SPMs shall provide input to and review of the results of the needs assessments and adequacy of plans proposed by the Transmission Owners, or by stakeholders to the planning process, or by the Transmission Provider, to best meet the needs of the sub-region.

Transmission Owners identified in Attachment FF-4, must submit to the Transmission Provider, on an annual basis and at a time to be determined by the Transmission Provider, which shall be prior to the beginning of each regional planning cycle, all proposed transmission plans for both transferred and non-transferred transmission facilities. The
submitted projects of such Transmission Owners shall be considered potential alternatives to system needs identified, and as such must be submitted when initially identified as a potential system solution, in order to permit the evaluation of such projects along with other potential alternatives that may be proposed by stakeholders or the Transmission Provider, in the SPM processes. Such alternatives may include transmission, generation, and demand-side resources. The Transmission Provider will review and evaluate such alternatives on a comparable basis and select the most appropriate solution. Comparability includes the ability of the Transmission Provider to obtain contractual assurances that the selected solution will be implemented by the required in-service dates. Contractual commitments associated with the construction of an MTEP Appendix A approved project by MISO Transmission Owner(s) and/or Selected Transmission Developer(s) are provided for by the ISO Agreement, this Tariff, and the Binding Proposal Agreement.

Contractual commitments associated with generation solutions require that a generator interconnection agreement be filed with the Commission pursuant to Attachment X of this Tariff by the time the alternative transmission solution would need to be committed to in order to ensure installation on the required need date. Contractual commitments associated with demand-side resource solutions require demonstration to the Transmission Provider of an executed contract between LSE and End-Use Customers. Such demand-side contracts must be in place by the time that the transmission solution would otherwise need to be committed to in order to ensure a timely solution to the identified planning need, and must span the five year planning horizon to ensure the
ability to provide adequate lead time for an alternative transmission solution should the demand contracts terminate. Notwithstanding the provisions of Section VII of the ISO Agreement regarding the Transmission Provider review of Transmission Owner plans, no proposed project of a Transmission Owner that has elected to integrate their local planning processes into the Transmission Provider’s processes, as indicated on Attachment FF-4, shall be recommended in the MTEP for implementation until completion of the annual needs analysis carried out in the annual MTEP cycle, as described in Section I.C. of this Attachment FF, except as provided for in Section I.D.1.c. of this Attachment FF.

c. Out-of-Cycle Review of Transmission Owner Plans: In the event that a Transmission Owner determines that system conditions warrant the urgent development of system enhancements that would be jeopardized unless the Transmission Provider performs an expedited review of the impacts of the project, Transmission Provider shall use a streamlined approval process for reviewing and approving projects proposed by the Transmission Owners so that decisions will be provided to the Owner within thirty (30) days of the projects submittal to the MISO unless a longer review period is mutually agreed upon.

2. Transmission Owners Filing Separate Attachment K: Some Transmission Owners as listed on the last page of Attachment FF-4 have developed individual open, local planning processes for their facilities, that comply with the Planning Principles of the Order 890 Final Rule. These Transmission Owners have an Attachment K that describes how the Transmission Owner will comply with the Order No. 890 Planning Principles for all transmission facilities that
they plan for, regardless of whether those facilities are ultimately transferred to the functional control of the Transmission Provider. With the exception of Sections I.D.1.a and I.D.1.b., the provisions of this Attachment FF remain applicable to all Transmission Owners notwithstanding the filing by any Transmission Owner of an Attachment K pursuant to the Order 890 Final Rule.

E. Interregional Coordination and Cost Allocation: The MTEP shall be developed in accordance with the principles of interregional coordination through collaboration with representatives from adjacent transmission providers, their designated regional planning organizations, or regional transmission organizations, as provided for in this Attachment FF, or as otherwise provided for in existing joint agreements between the Transmission Provider and other regional entities that engage in planning activities. The Transmission Provider has developed region-specific interregional coordination and cost allocation provisions with regard to the following neighboring transmission planning regions:

- PJM Interconnection, L.L.C. ("PJM"), as provided for under Article IX and other applicable provisions of the Joint Operating Agreement between the Transmission Provider and PJM, as may be amended from time to time, including revisions the effective date of which is pending Commission approval in Docket No. ER13-1943-000;

- Southeastern Regional Transmission Planning ("SERTP"), as provided for under Section X of this Attachment FF, the effective date of which is pending Commission approval in Docket No. ER13-1923-000; and

- Southwest Power Pool ("SPP"), as provided for under Article IX and other applicable provisions of the Joint Operating Agreement between the Transmission Provider and SPP, as
may be amended from time to time, including revisions the effective date of which is pending Commission approval in Docket No. ER13-1938-000;

The Transmission Provider also has planning coordination provisions as part of its coordination agreement with Manitoba Hydro.

The following interregional coordination provisions shall continue to apply with regard to interregional coordination activities between the Transmission Provider and the Mid Continent Area Power Pool ("MAPP") transmission planning region. Moreover, the following interregional coordination provisions shall remain in effect for interregional coordination activities between the Transmission Provider and the SERTP transmission planning region until the Commission approves and grants an effective date for the SERTP interregional coordination and cost allocation filing pending in Docket No. ER13-1923-000.

1. Initial Contact: The Transmission Provider will initiate a meeting with representatives of adjacent transmission providers, their designated regional planning organizations, or regional transmission organizations with which existing joint agreements are not already established with the Transmission Provider ("Regional Planning Coordination Entities" or "RPCEs"), in order to establish a Joint Planning Committee.

2. Joint Planning Committee. The Transmission Provider shall offer to form a Joint Planning Committee ("JPC") with the RPCE. The JPC shall be comprised of representatives of the Transmission Provider and the RPCE in numbers and functions to be identified from time to time. The JPC may combine with or participate in similarly established joint planning committees amongst multiple RPCEs or established under joint
agreements to which the Transmission Provider is a signatory, for the purpose of
providing for broader and more effective inter-regional planning coordination. The JPC
shall have a Chairman. The Chairman shall be responsible for: the scheduling of
meetings; the preparation of agendas for meetings; the production of minutes of
meetings; and for chairing JPC meetings. The Chairmanship shall rotate amongst the
Transmission Provider and the RPCEs on a mutually agreed to schedule, with each party
responsible for the Chairmanship for no more than one planning study cycle in
succession. The JPC shall coordinate planning of the systems of the Transmission
Provider and the RPCEs, including the following:

a. Coordinate the development of common power system analysis models to
perform coordinated system planning studies including power flow analyses and stability
analyses. For studies of interconnections in close electrical proximity at the boundaries
among the systems of the Transmission Provider and the RPCEs the JPC or its designated
working group will coordinate the performance of a detailed review of the
appropriateness of applicable power system models.

b. Conduct, on a regular basis, a Coordinated Regional Transmission Planning Study
(CRTPS), as set forth in Section 8.3.4.

c. Coordinate planning activities under this Section 8, including the exchange of
data and developing necessary report and study protocols.

d. Maintain an Internet site and e-mail or other electronic lists for the
communication of information related to the coordinated planning process. Such sites
and lists may be integrated with those existing for the purpose of communicating the open and transparent planning processes of the Transmission Provider.

e. Meet at least semi-annually to review and coordinate transmission planning activities.

f. Establish working groups as necessary to address specific issues, such as the review and development of the regional plans of the RPCE and the Transmission Provider, and localized seams issues.

g. Establish a schedule for the rotation of responsibility for data management, coordination of analysis activities, report preparation, and other activities.

3. Data and Information Exchange. The Transmission Provider shall make available to each RPCE the following planning data and information. Unless otherwise indicated, such data and information shall be provided annually. The Transmission Provider shall provide such data in accordance with the applicable CEII policy, and maintain data and information received from each RPCE in accordance with their applicable confidentiality policies.

a. Data required for the development of power flow cases, and stability cases, incorporating up to a ten year load forecasts as may be requested, including all critical assumptions that are used in the development of these cases.

b. Fully detailed planning models (up to the next ten (10) years as requested) on an annual basis and updates as necessary to perform coordinated studies that reflect system enhancement changes or other changes.
c. The regional plan documents, any long-term or short-term reliability assessment documents, and any operating assessment reports produced by the Transmission Provider and the RPCE.

d. The status of expansion studies, system impact studies and generation interconnection studies, such that the Transmission Provider and the RPCE have knowledge that a commitment has been made to a system enhancement as a result of any such studies.

e. Transmission system maps for the Transmission Provider and the RPCE bulk transmission systems and lower voltage transmission system maps that are relevant to the coordination of planning between or among the systems.

f. Contingency lists for use in load flow and stability analyses, including lists of all contingency events required by applicable NERC or Regional Entity planning standards, as well as breaker diagrams for the portions of the Transmission Provider and the RPCE transmission systems that are relevant to the coordination of planning between or among the systems. Breaker diagrams to be provided on an as requested basis.

g. The timing of each planned enhancement, including estimated completion dates, and indications of the likelihood that a system enhancement will be completed and whether the system enhancement should be included in system expansion studies, system impact studies and generation interconnection studies, and as requested the status of related applications for regulatory approval. This information shall be provided at the completion of each planning cycle of the Transmission Provider, and more frequently as necessary to indicate changes in status that may be important to the RPCE system.
h. Quarterly identification of interconnection requests that have been received and any long-term firm transmission services that have been approved, that may impact the operation of the Transmission Provider or the RPCE system.

i. Quarterly, the status of all interconnection requests that have been identified.

j. Information regarding long-term firm transmission services on all interfaces relevant to the coordination of planning between or among the systems.

k. Load flow data initially will be exchanged in PSS/E format. To the extent practical, the maintenance and exchange of power system modeling data will be implemented through databases. When feasible, transmission maps and breaker diagrams will be provided in an electronic format agreed upon by the Transmission Provider and the RPCE. Formats for the exchange of other data will be agreed upon by the Transmission Provider and the RPCE.

4. Coordinated System Planning. The Transmission Provider shall agree to coordinate with the RPCEs studies required to assure the reliable, efficient, and effective operation of the transmission system. Results of such coordinated studies will be included in the Coordinated System Plan. The Transmission Provider shall agree to conduct with the RPCEs such coordinated planning as set forth below

a. Single Entity Planning. The Transmission Provider shall engage in such transmission planning activities, including expansion plans, system impact studies, and generator interconnection studies, as necessary to fulfill its obligations under the Tariff. Such planning shall conform to applicable reliability requirements of NERC, applicable regional reliability councils, and any successor organizations thereto.
Such planning shall also conform to any and all applicable requirements of Federal or State regulatory authorities. The Transmission Provider will prepare a regional transmission planning report that documents the procedures, methodologies, and business rules utilized in preparing and completing the report. The Transmission Provider shall agree to share the transmission planning reports and assessments with each RPCE, as well as any information that arises in the performance of its individual planning activities as is necessary or appropriate for effective coordination among the Transmission Provider and the RPCEs on an ongoing basis. The Transmission Provider shall provide such information to the RPCEs in accordance with the applicable CEII policy and shall maintain such information received from the RPCEs in accordance with their applicable confidentiality policies.

b. Analysis of Interconnection Requests. In accordance with the procedures under which the Transmission Provider provides interconnection service, the Transmission Provider will agree to coordinate with each RPCE the conduct of any studies required in determining the impact of a request for generator or merchant transmission interconnection. Results of such coordinated studies will be included in the impacts reported to the interconnection customers as appropriate. Coordination of studies shall include the following:

i. When the Transmission Provider receives a request under its interconnection procedures for interconnection, it will determine whether the interconnection potentially impacts the system of a RPCE. In that event, the Transmission Provider will notify the RPCE and convey the
information provided in the interconnection queue posting. The
Transmission Provider will provide the study agreement to the
interconnection customer in accordance with applicable procedures.

ii. If the RPCE determines that it may be materially impacted by an
interconnection on the Transmission Provider System, the RPCE may
request participation in the applicable interconnection studies. The
Transmission Provider will coordinate with the RPCE with respect to the
nature of studies to be performed to test the impacts of the interconnection
on the RPCE System, and who will perform the studies. The
Transmission Provider will strive to minimize the costs associated with the
coordinated study process undertaken by agreement with the RPCE.

iii. Any coordinated studies associated with requests for interconnection to
the Transmission Provider’s system will be performed in accordance with
the study timeline requirements and scope of the applicable generation
interconnection procedures of the Transmission Provider.

iv. The RPCE may participate in the coordinated study either by taking
responsibility for performance of studies of its system, if deemed
reasonable by the Transmission Provider, or by providing input to the
studies to be performed by the Transmission Provider. The study cost
estimates indicated in the study agreement between the Transmission
Provider and the interconnection customer, will reflect the costs, and the
associated roles of the study participants including the RPCE. The
Transmission Provider will review the cost estimates and scope submitted by all participants for reasonableness, based on expected levels of participation, and responsibilities in the study. If the RPCE agrees to perform any aspects of the study, the RPCE must comply with the timelines and schedule of the Transmission Provider’s interconnection procedures.

v. The Transmission Provider will collect from the interconnection customer the costs incurred by the RPCE associated with the performance of such studies and forward collected amounts, no later than thirty (30) days after receipt thereof, to the RPCE. Upon the reasonable request of the RPCE, the Transmission Provider will make their books and records available to the requestor pertaining to such requests for collection and receipt of collected amounts.

vi. The Transmission Provider will report the combined list of any transmission infrastructure improvements on either the RPCE and/or the Transmission Provider’s system required as a result of the proposed interconnection.

vii. Construction and cost responsibility associated with any transmission infrastructure improvements required as a result of the proposed interconnection shall be accomplished under the terms of the applicable OATT, Transmission Service Guidelines, controlling agreements, and
consistent with applicable Federal or State regulatory policy and applicable law.

viii. Each transmission provider will maintain separate interconnection queues. The JPC will maintain a composite listing of interconnection requests for all interconnection projects that have been identified as potentially impacting the systems of the Transmission Provider and coordinating RPCEs. The JPC will post this listing on the Internet site maintained for the communication of information related to the coordinated system planning process.

c. Analysis of Long-Term Firm Transmission Service Requests. In accordance with applicable procedures under which the Transmission Provider provides long-term firm transmission service, the Transmission Provider will coordinate the conduct of any studies required to determine the impact of a request for such service. Results of such coordinated studies will be included in the impacts reported to the transmission service customers as appropriate. Coordination of studies will include the following:

i. The Transmission Provider will coordinate the calculation of ATC values associated with the service, based on contingencies on their systems that may be impacted by the granting of the service.

ii. When the Transmission Provider receives a request for long-term firm transmission service, it will determine whether the request potentially impacts the system of the RPCE. If the Transmission Provider determines that the RPCE system is potentially impacted, and that the RPCE would
not receive a transmission service request to complete the service path, the
transmission provider will notify the RPCE and convey the information
provided in the posting.

iii. If the RPCE determines that its system may be materially impacted by
granting the service, it may contact the Transmission Provider and request
participation in the applicable studies. The Transmission Provider will
coordinate with the RPCE with respect to the nature of studies to be
performed to test the impacts of the requested service on the RPCE
system, and will strive to minimize the costs associated with the
coordinated study process. The JPC will develop screening procedures to
assist in the identification of service requests that may impact systems of
the JPC members other than the transmission provider receiving the
request.

iv. Any coordinated studies for request on the transmission Provider’s system
will be performed in accordance with the study timeline and scope
requirements of the applicable transmission service procedures of the
Transmission Provider.

v. The RPCE may participate in the coordinated study either by taking
responsibility for performance of studies of its system, if deemed
reasonable by the Transmission Provider or by providing input to the
studies to be performed by the Transmission Provider. The study cost
estimates indicated in the study agreement between the Transmission
Provider and the transmission service customer will reflect the costs and the associated roles of the study participants. The Transmission Provider will review the cost estimates and scope submitted by all participants for reasonableness, based on expected levels of participation and responsibilities in the study.

vi. The Transmission Provider will collect from the transmission service customer, and forward to the RPCE, the costs incurred by the RPCE with the performance of such studies.

vii. The Transmission Provider receiving the request will identify any transmission infrastructure improvements required as a result of the transmission service request.

viii. Construction and cost responsibility associated with any transmission infrastructure improvements required as a result of the transmission service request shall be accomplished under the terms of the applicable OATT, Transmission Service Guidelines, controlling agreements, and consistent with applicable Federal or State regulatory policy and applicable law.

d. Coordinated Regional Transmission Planning Study: The Transmission Provider agrees to participate in the conduct of a periodic Coordinated Regional Transmission Planning Study (CRTPS). The CRTPS shall have as input the results of ongoing analyses of requests for interconnection and ongoing analyses of requests for long-term firm transmission service. The Parties shall coordinate in the analyses of these ongoing
service requests in accordance with Sections 8.3.2 and 8.3.3. The results of the CRTPS shall be an integral part of the expansion plans of each Party. Construction of upgrades on the Transmission System of the Transmission Provider that are identified as necessary in the CRTSP shall be under the terms of the Owners Agreement of the Transmission Provider, applicable to the construction of upgrades identified in the expansion planning process. Coordination of studies required for the development of the Coordinated System Plan will include the following:

i. Every three years, the Transmission Provider shall participate in the performance of a CRTPS. Sensitivity analyses will be performed, as required, during the off years based on a review by the JPC of discrete reliability problems or operability issues that arise due to changing system conditions.

ii. The CRTPS shall identify all reliability and expansion issues, and shall propose potential resolutions to be considered by The Transmission Provider and the coordinating RPCEs.

iii. As a result of participation in the CRTPS, except as provided for in Section II. A. 1., the Transmission Provider is not obligated in any way to construct, finance, operate, or otherwise support any transmission infrastructure improvements or other transmission-related projects identified in the CRTPS. Any decision to proceed with any transmission infrastructure improvements or other transmission-related projects identified in the CRTPS shall be based on the applicable reliability,
operational and economic planning criteria established for the Transmission Provider as applicable to the development of the MTEP and set forth in this Attachment FF.

iv. As a result of participation in the CRTPS, the RPCEs are not entitled to any rights to financial compensation due to the impact of the transmission plans of the Transmission Provider upon the RPCE system, including but not limited to its decisions whether or not to construct any transmission infrastructure improvements or other transmission-related projects identified in the CRTPS.

v. The JPC will develop the scope and procedure for the CRTPS. The scope of the CRTPSs performed over time will include evaluations of the transmission systems against reliability criteria, operational performance criteria, and economic performance criteria applicable to the Transmission Provider and the RPCEs.

vi. In the conduct of the CRTPS, the Transmission Provider and the coordinating RPCEs will use planning models that are developed in accordance with the procedures to be established by the JPC. Exchange of power flow models will be in a format that is acceptable to the coordinating parties.

vii. Stakeholder Review Processes. The Transmission Provider, in coordination with coordinating RPCEs shall review the scope and results of the CRTPS with impacted stakeholders, and shall modify the study
scope as deemed appropriate by the Transmission Provider in agreement with the coordinating RPCEs, after receiving stakeholder input. Such reviews will utilize the existing planning stakeholder forums of the coordinating parties including as applicable joint Sub Regional Planning Meetings.

II. Development Process for MTEP Projects: The Transmission Provider will develop the MTEP biennially or more frequently. The MTEP will identify expansion projects for inclusion in the MTEP according to the factors set forth in Appendix B of the ISO Agreement and Section I.C. of this Attachment FF. For purposes of assigning cost responsibility, expansion projects in the MTEP shall be categorized pursuant to the following criteria.

A. Reliability Needs: Reliability projects are identified either in the periodically performed Baseline Reliability Study, or in Facilities Studies associated with the request processes for new transmission access. Transmission access includes requests for both new transmission delivery service and new generation interconnection service.

1. Baseline Reliability Projects: Baseline Reliability Projects are Network Upgrades identified in the base case as required to ensure that the Transmission System is in compliance with applicable national Electric Reliability Organization (“ERO”) reliability standards and reliability standards adopted by Regional Reliability Organizations and applicable within the Transmission Provider Region. Baseline Reliability Projects include projects that are needed to maintain reliability while accommodating the ongoing needs of existing Market Participants and Transmission Customers. Baseline Reliability Projects may
consist of a number of individual facilities that in the judgment of the Transmission Provider constitute a single project for cost allocation purposes. The Transmission Provider shall collaborate with Transmission Owning members, other transmission providers, Transmission Customers, and other stakeholders to develop appropriate planning models that reflect expected system conditions for the planning horizon. The planning models shall reflect the projected load growth of existing network customers and other transmission service and interconnection commitments, and shall include any transmission projects identified in Service Agreements or interconnection agreements that are entered into in association with requests for transmission delivery service or transmission interconnection service, as determined in Facilities Studies associated with such requests. The Transmission Provider shall test the MTEP for adequacy and security based on commonly applicable national Electric Reliability Organization (“ERO”) standards, and under likely and possible dispatch patterns of actual and projected Generation Resources within the Transmission System and of external resources, including dispatch reflective of Long-Term Transmission Rights of Transmission Customers, and shall produce an efficient expansion plan that includes all Baseline Reliability Projects determined by the Transmission Provider to be necessary through the planning horizon of the MTEP. The Transmission Provider shall obtain the approval of the Transmission Provider Board, as set forth in Section VI, for each MTEP published.
2. New Transmission Access Projects: New Transmission Access Projects are defined for the purposes of Attachment FF as Network Upgrades identified in Facilities Studies and agreements pursuant to requests for transmission delivery service or transmission interconnection service under the Tariff. New Transmission Access Projects include projects that are needed to maintain reliability while accommodating the incremental needs associated with requests for new transmission or interconnection service, as determined in Facilities Studies associated with such requests. New Transmission Access Projects may consist of a number of individual facilities, which in the judgment of the Transmission Provider constitute a single project for cost allocation purposes. New Transmission Access Projects are either Generation Interconnection Projects or Transmission Delivery Service Projects as defined in Sections II.A.2.a. and II.A.2.b. The Transmission Provider shall consider the Baseline Reliability Projects already determined to be needed in the most current MTEP, as well as any other base-case needs not associated with the request for new service that may be identified during the impact study process when determining the need for New Transmission Access Projects. Any identified base-case needs determined in the impact study process that are not a part of the Baseline Reliability Projects already identified in the most current MTEP shall become new Baseline Reliability Projects and shall be included in the next MTEP. New Transmission Access Projects identified in Facilities Studies and agreements pursuant to
requests for transmission delivery service or transmission interconnection service under this Tariff shall be included in the next MTEP.

a. Generation Interconnection Projects: Generation Interconnection Projects are New Transmission Access Projects that are associated with interconnection of new, or increase in generating capacity of existing, generation under Attachments X to this Tariff.

b. Transmission Delivery Service Projects: Transmission Delivery Service Projects are New Transmission Access Projects that are needed to provide for requests for new Point-To-Point Transmission Service, or requests under Module B of the Tariff for Network Service or a new designation of a Network Resource(s).

B. Market Efficiency Projects: Market Efficiency Projects are Network Upgrades: (i) that are proposed by the Transmission Provider, Transmission Owner(s), ITC(s), Market Participant(s), or regulatory authorities; (ii) that are found to be eligible for inclusion in the MTEP or are approved pursuant to Appendix B, Section VII of the ISO Agreement after June 16, 2005, applying the factors set forth in Section I.C. of this Attachment FF; (iii) that have a Project Cost of $5 million or more; (iv) that involve facilities with voltages of 345 kV or higher; and that may include any lower voltage facilities of 100kV or above that collectively constitute less than fifty percent (50%) of the combined project cost, and without which the 345 kV or higher facilities could not deliver sufficient benefit to meet the required benefit-to-cost ratio threshold for the project as established in Section II.B.1.e, or that otherwise are needed to relieve applicable reliability criteria violations that are projected to occur as a direct result of the

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development of the 345 kV or higher facilities of the project; (v) that are not determined to be Multi Value Projects; and (vi) that are found to have regional benefits under the criteria set forth in Section II.B.1 of this Attachment FF.

1. Criteria to Determine Whether a Project Should be Included as a Market Efficiency Project: The Transmission Provider shall employ multiple future scenarios and multi-year analysis including sensitivity analyses guided by input from the Planning Advisory Committee to evaluate the anticipated benefits of a proposed Market Efficiency Project in order to determine if such a project meets the criteria for inclusion in the regional plan as a Market Efficiency Project eligible for regional cost sharing. Sensitivity analyses shall include, among other factors, consideration of: (i) variations in amount, type, and location of future generation supplies as dictated by future scenarios developed with stakeholder input and guidance; (ii) alternative transmission proposals; (iii) impacts of variations in load growth; and (iv) effects of demand response resources on transmission benefits.

Transformer voltage is defined by the voltage of the low-side of the transformer for these purposes.

The Transmission Provider shall perform this inclusion analysis as follows:

a. The Transmission Provider shall utilize a weighted futures, no loss (“WFNL”) metric to analyze the anticipated annual economic benefits of construction of a proposed Market Efficiency Project to Transmission Customers in each of the Local Resource Zones, as defined in Attachment WW, based upon adjusted production cost (“APC”) savings. APC savings will be calculated as the difference in total production cost of the
Resources in each Local Resource Zone adjusted for import costs and export revenues with and without the proposed Market Efficiency Project as part of the Transmission System. The WFNL metric for each Local Resource Zone shall be calculated using the weighted APC savings determined for each future scenario included in the analysis.

i. The WFNL metric shall utilize the future scenarios determined and identified by the Transmission Provider through the planning process, with input from all stakeholders. The weights applied to the results of each future scenario shall also be determined by the Transmission Provider with input from all stakeholders.

b. Project benefit evaluations will include benefits for the first 20 years of project life after the projected in-service date, with a maximum planning horizon of 25 years from the approval year. The annual benefit for a proposed Market Efficiency Project shall be determined as the sum of the WFNL values for each Local Resource Zone, as defined in Attachment WW. The total project benefit shall be determined by calculating the present value of annual benefits for the multiple year scenarios and multi-year evaluations.

c. The costs applied in the benefit to cost ratio shall be the present value, over the same period for which the project benefits are determined, of the annual Network Upgrade Charges for the project as determined in accordance with the formula in Attachment GG.
d. The present value calculation for both the annual benefits and annual costs will apply a discount rate representing the after-tax weighted average cost of capital of the Transmission Owners that make up the Transmission Provider Transmission System.

e. The Transmission Provider shall employ a benefit to cost ratio test to evaluate a proposed Market Efficiency Project. Only projects that meet a benefit to cost ratio of 1.25 or greater shall be included in the MTEP as a Market Efficiency Project and be eligible for regional cost sharing.

f. The benefits of the project used to determine the associated cost allocations as a percentage of project cost shall be determined one time at the time that the project is presented to the Transmission Provider Board for approval. Estimated Project Cost will be used to estimate the benefit to cost ratio and the eligibility for cost sharing at the time of project approval. To the extent that the Commission approves the collection of costs in rates for Construction Work in Progress ("CWIP") for a constructing Transmission Owner, costs will be allocated and collected prior to completion of the project.

g. The aforementioned Market Efficiency Project inclusion criteria shall be used for the exclusive purpose of determining whether projects are eligible for regional cost sharing in accordance with Section III.A.2.f below. These criteria shall not affect the existing criteria set forth in Appendix B of the ISO Agreement for determining whether projects are eligible for inclusion in the MTEP. Moreover, the costs of projects included in the MTEP, but not eligible for regional cost sharing, shall continue to be eligible for inclusion in the calculation of Transmission Owner revenue requirements under Attachment O of this Tariff.
C. Multi Value Projects: A Multi Value Project is one or more Network Upgrades that address a common set of Transmission Issues and satisfy the conditions listed in Sections II.C.1, II.C.2., and II.C.3 of Attachment FF. All Network Upgrades associated with a Multi Value Project including any lower voltage facilities that may be needed to relieve applicable reliability criteria violations that are projected to occur as a direct result of the development of the Multi Value Project; may be cost shared per Section III.A.2.g of Attachment FF except for i) any Network Upgrade cost associated with constructing an underground or underwater transmission line above and beyond the cost of a feasible alternative overhead transmission line that provides comparable regional benefits, and ii) any DC transmission line and associated terminal equipment when scheduling and dispatch of the DC transmission line is not turned over to the Transmission Provider's markets, real-time control of the DC transmission line is not turned over to the Transmission Provider's automatic generation control system and/or the DC transmission line is operated in a manner that requires specific users to subscribe for DC transmission service.

1. A Multi Value Project must be evaluated as part of a Portfolio of projects, as designated in the transmission expansion planning process, whose benefits are spread broadly across the footprint.

2. A Multi Value Project must meet one of the three criteria outlined below:
   a. Criterion 1. A Multi Value Project must be developed through the transmission expansion planning process for the purpose of enabling the Transmission System to reliably and economically deliver energy in support of documented energy policy mandates or laws that have been enacted or adopted through state or federal legislation or regulatory requirement that
directly or indirectly govern the minimum or maximum amount of energy that can be generated by specific types of generation. The MVP must be shown to enable the transmission system to deliver such energy in a manner that is more reliable and/or more economic than it otherwise would be without the transmission upgrade.

b. Criterion 2. A Multi Value Project must provide multiple types of economic value across multiple pricing zones with a Total MVP Benefit-to-Cost ratio of 1.0 or higher where the Total MVP Benefit-to-Cost ratio is described in Section II.C.7 of this Attachment FF. The reduction of production costs and the associated reduction of LMPs resulting from a transmission congestion relief project are not additive and are considered a single type of economic value.

c. Criterion 3. A Multi Value Project must address at least one Transmission Issue associated with a projected violation of a NERC or Regional Entity standard and at least one economic-based Transmission Issue that provides economic value across multiple pricing zones. The project must generate total financially quantifiable benefits, including quantifiable reliability benefits, in excess of the total project costs based on the definition of financial benefits and Project Costs provided in Section II.C.7 of Attachment FF.

3. All of the following conditions must be satisfied in order for a project to be classified as a Multi Value Project:
a. Facilities associated with the transmission project must not be in service, under construction, or approved for construction by the Transmission Provider Board prior to July 16, 2010 or the date a Transmission Owner becomes a signatory member of the ISO Agreement, whichever is later. This section II.C.3.a shall not preclude the Multi Value Project classification of an Open Transmission Project that makes a Selected Transmission Developer eligible to become a Transmission Owner.

b. The transmission project must be evaluated through the Transmission Provider's transmission planning process and approved for construction by the Transmission Provider Board prior to the start of construction, where construction does not include preliminary site and route selection activities.

c. The transmission project must not contain any transmission facilities listed in Attachment FF-1 of this Tariff.

d. The total capital cost of the transmission project must be greater than or equal to $20,000,000.00.

e. The transmission project must include, but not necessarily be limited to, the construction or improvement of transmission facilities operating at voltages above 100 kV. A transformer is considered to operate above 100 kV when at least two sets of transformer terminals operate at voltages above 100 kV.

f. Network Upgrades driven solely by an Interconnection Request, as defined in Attachment X of the Tariff, or a Transmission Service request will not be considered Multi Value Projects.
4. Any transmission project that qualifies as a Multi-Value Project shall be
classified as an MVP irrespective of whether such project is also a Baseline
Reliability Project and/or Market Efficiency Project.

5. The specific types of economic value provided by a Multi Value Project
include the following:
   a. Production cost savings where production costs include generator
      startup, hourly generator no-load, generator energy and generator
      Operating Reserve costs. Production cost savings can be realized
      through reductions in both transmission congestion and transmission
      energy losses. Productions cost savings can also be realized through
      reductions in Operating Reserve requirements within Reserve Zones
      and, in some cases, reductions in overall Operating Reserve
      requirements for the Transmission Provider.
   b. Capacity losses savings where capacity losses represent the amount
      of capacity required to serve transmission losses during the system
      peak hour including associated planning reserve.
   c. Capacity savings due to reductions in the overall Planning Reserve
      Margins resulting from transmission expansion.
   d. Long-term cost savings realized by Transmission Customers by
      accelerating a long-term project start date in lieu of implementing a
      short-term project in the interim and/or long-term cost savings
realized by Transmission Customers by deferring or eliminating the need to perform one or more projects in the future.

e. Any other financially quantifiable benefit to Transmission Customers resulting from an enhancement to the Transmission System and related to the provisions of Transmission Service.

6. Any project to facilitate like-for-like capital replacements of plant originally installed as part of a Multi Value Project where replacement is due to aging, failure, damage or relocation requirements where such replacement is not the result of negligence by the constructing Transmission Owner will be treated as a Multi Value Project. The minimum project cost limitation for Multi Value Projects described in Section II.C.3.d of Attachment FF will not apply to the like for-like capital replacement projects described in this Section.

7. The following Total MVP Benefit-to-Cost Ratio will be applied to any Multi Value Project justified solely on the basis of Sections II.C.2.b or II.C.2.c of this Attachment FF to ensure such project qualifies as a Multi Value Project:

    \[
    \text{Total MVP Benefit-to-Cost Ratio} = \frac{\text{financial benefits}}{\text{Project Costs}}.
    \]

For the purpose of this calculation, Financial Benefits will be set equal to the present value of all financially quantifiable benefits provided by the project projected for the first 20 years of the project's life and Project Costs will be set equal to the present value of the annual revenue requirements projected for the first 20 years of the project's life.
8. The aforementioned Multi Value Project inclusion criteria shall be used for the exclusive purpose of determining whether projects are eligible for regional cost sharing in accordance with Section III.A.2.g below. These criteria shall not affect the existing criteria set forth in Appendix B of the ISO Agreement for determining whether projects are eligible for inclusion in the MTEP. Moreover, the costs of projects included in the MTEP, but not eligible for regional cost sharing, shall continue to be eligible for inclusion in the calculation of Transmission Owner revenue requirements under Attachment O of this Tariff.

D. Identification of Potential Impacts of a Market Efficiency Project or Multi Value Project on Neighboring Transmission Planning Region(s)

As part of the evaluation of any proposed Market Efficiency Project or Multi Value Project, the Transmission Provider will determine whether the proposed Market Efficiency Project or Multi Value Project causes any violations of NERC reliability standards on the transmission system(s) of the adjacent neighboring transmission planning region(s). If the Transmission Provider’s evaluation identifies any such violations of NERC reliability standards, the Transmission Provider will contact and coordinate with the other potentially affected adjacent neighboring transmission planning region(s) on any further evaluation.

III. Designation of Cost Responsibility for MTEP Projects: Based on the planning analysis performed by the Transmission Provider, which shall take into consideration all appropriate input from Market Participants or external entities, including, but not limited to, any
indications of a willingness to bear cost responsibility for an enhancement or expansion, the recommended MTEP shall, for any enhancement or expansion that is included in the plan, designate: (i) the Market Participant(s) in one or more pricing zones that will bear cost responsibility for such enhancement or expansion, as and to the extent provided by any applicable provision of the Tariff, including Attachments N, X, or any applicable cost allocation method ordered by the Commission; or, (ii) in the event and to the extent that no provision of the Tariff so assigns cost responsibility, the Market Participant(s) or Transmission Customer(s) in one or more pricing zones from which the cost of such enhancements or expansions shall be recovered through charges established pursuant to Attachment GG of this Tariff, or as otherwise provided for under this Attachment FF.

Any designation under clause (ii) of the preceding sentence shall be determined as provided for in Section III.A and III.B of this Attachment FF. For all such designations, the Transmission Provider shall calculate the cost allocation impacts to each pricing zone. The results will be reviewed for unintended consequences by the Transmission Provider and the Tariff Working Group and any such identified consequences shall be reported to the Planning Advisory Committee, and the OMS.

A. Allocation of Costs Within the Transmission Provider Region

1. Default Cost Allocation: Except as otherwise provided for in this Attachment FF, or by any other applicable provision of this Tariff and consistent with the ISO Agreement, the responsibility for Network Upgrades included in the approved MTEP will be addressed in accordance with the provisions of the ISO Agreement.
2. Cost Allocation: The Transmission Provider will designate and assign cost responsibility on a regional, and sub-regional basis for Network Upgrades identified in the MTEP subject to the grand-fathered project provisions of Section III.A.2.b.
   a. Market Participant’s Option to Fund: Notwithstanding the Transmission Provider’s assignment of cost responsibility for a project included in the MTEP, one or more Market Participants may elect to assume cost responsibility for any or all costs of a Network Upgrade that is included in the MTEP. Provided however, in the event the Market Participant is also a Transmission Owner such election of the option to fund must be made on a consistent, non-discriminatory basis.
   b. Grandfathered Projects: The cost allocation provisions of this Attachment FF shall not be applicable to transmission projects identified in Attachment FF-1, which is based on the list of projects designated as Planned Projects in the MTEP approved by the Transmission Provider Board on June 16, 2005 (MTEP 05) and some additions of proposed projects that the Transmission Provider has determined to be in the advanced stages of planning.
   c. Baseline Reliability Projects: Costs of Baseline Reliability Projects shall be recovered pursuant to Attachment O of this Tariff by the Transmission Owner(s) and/or ITC(s) developing such projects, such that the Transmission Owner(s) and/or ITC(s)
developing a Baseline Reliability Project shall be responsible for all of the costs of the portion of the Baseline Reliability Project that is physically located in the Transmission Owner’s and/or ITC’s pricing zone, subject to the requirements of the ISO Agreement.

d. Generation Interconnection Projects: Costs of Generation Interconnection Projects that are not determined by the Transmission Provider to be Baseline Reliability Projects, Market Efficiency Projects, or Multi-Value Projects and the Network Upgrade costs associated with advancing a Baseline Reliability Project, Market Efficiency Project, or Multi-Value Project associated with a generator interconnection will be paid for by the Interconnection Customer(s) in accordance with Attachment X.

For Generation Interconnection Projects interconnecting to the American Transmission Company LLC transmission system, such costs will be subject to the provision of Attachment FF – ATCLLC.

1) For Network Upgrades to facilities in voltage classes at or above 345 kV, the Interconnection Customer shall be repaid 10 percent of the costs of the Generation Interconnection Project funded by the Interconnection Customer once Commercial Operation is achieved. The
Transmission Owner(s) constructing the Generation Interconnection Project will repay 10% of the Generation Interconnection Project costs associated with Network Upgrade facilities in a voltage class of 345 kV or greater to the Interconnection Customer under repayment terms consistent with the schedules and other terms of Attachment X.

The 10% of the Project Cost associated with Network Upgrade facilities of voltage class 345 kV or above and repaid to the Interconnection Customer shall be allocated on a system-wide basis and recovered pursuant to Attachment GG of this Tariff.

2) An Interconnection Customer may be required to contribute to the cost of Shared Network Upgrades, as defined in Attachment X to the Tariff, that are funded by another Interconnection Customer as a Generation Interconnection Project pursuant to Attachment X.

Each Interconnection Customer with one or more Shared Network Upgrade(s) identified in Appendix A of its Generator Interconnection Agreement shall make a one-time payment under Schedule 26-B to the Transmission Provider in accordance with the terms in the Generator Intercon...
Interconnection Agreement. The one-time payment will reflect the cost of the Shared Network Upgrade assigned to the Interconnection Customer as determined by the Transmission Provider.

All revenue collected by the Transmission Provider through Schedule 26-B shall be distributed to the appropriate Interconnection Customer(s).

3) The Interconnection Customer shall be entitled, pursuant to Section 46 of this Tariff, to any Financial Transmission Rights or other rights to the extent provided for under this Tariff, for any Network Upgrade costs funded by or charged to the Interconnection Customer and not subject to repayment under the provisions of this Section III.A.2.d. In the event that a Generation Interconnection Project defers or displaces a Baseline Reliability Project, the costs of the Generation Interconnection Project up to the costs of the deferred or displaced Baseline Reliability Project shall be allocated consistent with the cost allocation for the Baseline Reliability Project.

4) International Transmission/Michigan Electric Transmission Company:
(a) For those Generation Interconnection Projects for which International Transmission Company or Michigan Electric Transmission Company, LLC, (“International” or “METC”) as Transmission Owners will be a signatory to the interconnection agreement under the terms of Attachment X of this Tariff or any successor provision of the Tariff executed by the parties after the effective date of this Attachment FF Section III.A.2.d.4, this Attachment FF Section III.A.2.d.4 shall apply.

(b) Generation Interconnection Projects: The cost of Network Upgrades for Generation Interconnection Projects that are not determined by the Transmission Provider to be Baseline Reliability Projects shall be reimbursed by the Transmission Owner as provided in this Section III.A.2.d.4. All costs of Network Upgrades for Generation Interconnection Projects will initially be paid by the Interconnection Customer in accordance with the terms of the Interconnection Agreement entered into pursuant to Attachment X of this Tariff. To the extent the Interconnection Customer demonstrates at the time of Commercial Operation of the Generating Facility one of the following:
i. Generating Facility has been designated as a Network Resource in accordance with the Tariff, or

ii. Contractual commitment has been entered into with a Network Customer for capacity, or in the case of an Intermittent Resource, for energy, from the Generating Facility for a period of one (1) year or longer.

The Interconnection Customer will receive up to one hundred percent (100%) reimbursement of reimbursable costs within ninety (90) days of the Commercial Operation Date, such reimbursement prorated by the percentage of the Generating Facility capacity or annual available energy output contracted for and as demonstrated to the satisfaction of the Transmission Provider.

If the Interconnection Customer is unable to demonstrate to the satisfaction of the Transmission Provider at the time of Commercial Operation of the Generating Facility that the Generating Facility has met the repayment obligations set forth in Attachment FF Sections III.A.2.d.4.b.i. or III.A.2.d.4.b.ii. the Interconnection Customer shall be directly assigned 100% of the costs of
the Generation Interconnection Project. The Transmission Owner may effect this direct assignment of costs by either foregoing any repayment of costs funded by the Interconnection Customer, or by electing to repay 100% of the costs under repayment terms consistent with the schedules and other terms of Attachment X.

The Interconnection Customer shall be entitled, pursuant to Section 46 of this Tariff, to any Financial Transmission Rights or other rights to the extent provided for under this Tariff, for any Network Upgrade costs funded by or charged to the Interconnection Customer and not subject to repayment under the provisions of this Attachment FF Section III.A.2.d.4. In the event that a Generation Interconnection Project defers or displaces a Baseline Reliability Project, the costs of the Generation Interconnection Project up to the costs of the deferred or displaced Baseline Reliability Project shall be allocated consistent with the cost allocation for the Baseline Reliability Project.

(c) For all amounts to be reimbursed by a Transmission Owner to an Interconnection Customer in accordance with this Attachment FF Section III.A.2.d.4, the Transmission
Owner will reimburse the sums received from the Interconnection Customer in cash together with any applicable interest, in accordance with the terms of the Interconnection Agreement.

(d) Allocation of Generation Interconnection Reimbursement. For all amounts reimbursed by a Transmission Owner to an Interconnection Customer under this Attachment FF Section III.A.2.d.4, the reimbursement will be allocated as follows:

i. Projects of Voltage Below 345 kV: 50% of the applicable Project Cost for Generation Interconnection Projects with a voltage class below 345 kV shall be allocated on a sub-regional basis to all Transmission Customers in designated pricing zones. The designated pricing zones and the sub-regional allocation of the Project Cost shall be determined on a case-by-case basis in accordance with a Line Outage Distribution Factor Table (“LODF Table”) developed by the Transmission Provider which is similar in form to that attached hereto as Attachment FF-2. The
LODF Table is based on Transmission System topology and Line-Outage Distribution Factors associated with the project under consideration and is used to determine the pricing zones to be included in the sub-regional allocation of the Project Cost. The percentage of the sub-regional allocation assigned to each designated pricing zone shall be determined based on the relative share between pricing zones of the sum of the absolute value of the product of the Line-Outage Distribution Factor on each Branch Facility in a pricing zone and the length in miles of the Branch Facility.

The remaining fifty percent (50%) of the reimbursement will not be subject to any regional or sub-regional cost allocation, but will be recovered by that Transmission Owner under its Attachment O transmission rate formula under this Tariff.

ii. Projects of Voltage 345 kV and Higher:

10% of the applicable Project Cost for
Generation Interconnection Projects with a voltage class of 345 kV or higher shall be allocated on a system-wide basis to all Transmission Customers and recovered through a system-wide rate. 40% of the applicable Project Cost for Generation Interconnection Projects with a voltage class of 345 kV or higher shall be allocated on a sub-regional basis to all Transmission Customers in designated pricing zones. The designated pricing zones and the sub-regional allocation of the Project Cost shall be determined on a case-by-case basis in accordance with a Line Outage Distribution Factor Table (“LODF Table”) developed by the Transmission Provider similar in form to that attached hereto as Attachment FF-2. The LODF Table is based on Transmission System topology and Line-Outage Distribution Factors associated with the project under consideration and is used to determine the pricing zones to be included
in the sub-regional allocation of the Project Cost. The percentage of the sub-regional allocation assigned to each designated pricing zone shall be determined based on the relative share between pricing zones of the sum of the absolute value of the product of the Line-Outage Distribution Factor on each Branch Facility in a pricing zone and the length in miles of the Branch Facility. The remaining fifty percent (50%) of the reimbursement will not be subject to any regional or sub-regional cost allocation, but will be recovered by that Transmission Owner under its Attachment O transmission rate formula under this Tariff.

e. Transmission Delivery Service Projects: Costs of Transmission Delivery Service Projects shall be assigned and recovered in accordance with Attachment N of this Tariff.

f. Market Efficiency Projects: Costs of Market Efficiency Projects shall be allocated as follows:
i) Twenty percent (20%) of the Project Cost of the Market Efficiency Project shall be allocated on a system-wide basis to all Transmission Customers and recovered through a system-wide rate.

ii) Eighty percent (80%) of the costs of the Market Efficiency Projects shall be allocated to all Transmission Customers in each of the Local Resource Zones, as defined in Attachment WW. The cost allocated to each Local Resource Zone shall be based on the relative benefit determined for each Local Resource Zone that has a positive present value of annual benefits over the evaluation period using the methodology for project benefit determination of Section II.B.1.

iii) Excessive Funding or Requirements: The Transmission Provider shall seek to identify and manage the development of, as a part of the planning process for Market Efficiency Projects, portfolios of projects that tend to provide benefits throughout each Local Resource Zone, as defined in Attachment WW, over the planning horizon. The Transmission Provider shall analyze on an annual basis whether the project portfolios developed in accordance with this goal and the criteria in Section III. A.2.f unintentionally result in unjust or unreasonable annual capital funding.
requirements for any Transmission Owner or rate increases for Transmission Customers in designated pricing zones; or otherwise result in undue discrimination between the Transmission Customers, Transmission Owners, or any Market Participants; any such identified consequences shall be reported to the Planning Advisory Committee and to the Organization of MISO States. After discussing such assessments with the aforementioned stakeholder bodies, and taking into consideration the cumulative experience in applying this Attachment FF, the Transmission Provider will make a determination as to whether Tariff modifications are required, and if so file such modifications.

g. Multi Value Projects: Costs of Multi Value Projects will be allocated as follows:

i) One-hundred percent (100%) of the annual revenue requirements of the Multi Value Projects shall be allocated on a system-wide basis to Transmission Customers that withdraw energy, including External Transactions sinking outside the Transmission Provider's region, and recovered through an MVP Usage Charge pursuant to Attachment MM.
h. Treatment of Projects that meet both Baseline Reliability Project Criteria and/or New Transmission Access Project Criteria, and the Market Efficiency Project Criteria: If the Transmission Provider determines that a project designated as a Market Efficiency Project also meets the criteria to be designated as a Baseline Reliability Project and/or a New Transmission Access Project, the cost of such project shall be allocated in accordance with the Market Efficiency Project allocation procedures.

i. Other Projects: Unless otherwise agreed upon pursuant to Section III.A.2.a. of this Attachment FF, the costs of Network Upgrades that are included in the MTEP, but do not qualify as Baseline Reliability Projects, New Transmission Access Projects, Market Efficiency Projects, or Multi-Value Projects shall be eligible for recovery pursuant to Attachment O of this Tariff by the Transmission Owner(s) and/or ITC(s) paying the costs of such project, subject to the requirements of the ISO Agreement.

j. Withdrawal from MISO: A Transmission Owner that withdraws from the MISO as a Transmission Owner shall remain responsible for all financial obligations incurred pursuant to this Attachment FF while a Member of the MISO and payments applicable to time
periods prior to the effective date of such withdrawal shall be honored by the MISO and the withdrawing Member.

k. New Transmission Owners: A new Transmission Owner joining the MISO will be responsible for the following financial obligations:

a. New Transmission Owners will not be responsible for any portion of Baseline Reliability Projects, Generation Interconnection Projects, Transmission Delivery Service Projects, or Market Efficiency Projects that were approved prior to their entry date.

b. For Multi-Value Projects approved prior to the new Transmission Owner’s entry date, the load interconnected to the Transmission Owner’s Transmission System will be responsible for one-hundred percent (100%) of the MVP usage charge described in Attachment MM for the years following the Transmission Owner’s entry date applied to the Monthly Net Actual Energy Withdrawals for Load interconnected to the Transmission Owner’s Transmission System.

l. Only a Transmission Owner shall be authorized to construct and/or own transmission facilities associated with a Baseline Reliability Project, Market Efficiency Project,
and/or Multi Value Project. For projects jointly developed between Transmission Owners and other parties the portion constructed and owned by a Transmission Owner may qualify as a Baseline Reliability Project, Market Efficiency Project, and/or Multi Value Project.

IV. Merchant Transmission Project Data Requirements: A proposed merchant transmission developer assumes all financial risk and funding requirements for developing its transmission project(s) and constructing the proposed transmission facility(ies). In order for a proposed merchant transmission developer’s facility to be interconnected to the Transmission System, it is first necessary for the impacted Transmission Owner and the Transmission Provider to analyze the reliability and operational impact of the proposed new merchant transmission facility(ies) on the Transmission System to determine if the new merchant transmission facilities can be reliably supported by the Transmission System, and if not, what Network Upgrades funded by the merchant transmission developer would be required to reliably support the proposed merchant transmission facility(ies). In order to perform the required reliability and operational analyses, the merchant transmission developer must provide the following data to the Transmission Provider:

1. Each transmission circuit and substation, including new facilities, associated with the merchant transmission proposal;

2. Nominal operating voltage level in kV and voltage characteristics (i.e., AC or DC) for each transmission circuit associated with the merchant transmission proposal;
(3) Typical and maximum MW power flow schedules, in each direction, for all proposed DC transmission circuits associated with the merchant transmission proposal;

(4) Normal and emergency summer and winter load ratings for each transmission circuit associated with the merchant transmission proposal;

(5) Maximum allowable positive sequence impedance for each AC transmission circuit associated with the merchant transmission proposal, when applicable;

(6) List of all transmission buses associated with the merchant transmission proposal, including nominal operating voltage level in kV, voltage characteristics, and terminating transmission branches and shunts;

(7) Proposed substation one-line diagrams for all new substations associated with the merchant transmission proposal, including circuit breaker and bus configuration details;

(8) Load ratings, winding connections, impedances, tap data, and any other relevant information for load carrying equipment and facilities associated with the merchant transmission proposal, as applicable;

(9) Modeling files to model proposed facilities and relevant new contingencies in power flow, stability, short-circuit and other relevant study models; and

(10) Any other data determined pertinent to the study by the Transmission Provider and/or interconnecting Transmission Owners for the specific merchant transmission facility proposal.

V. **Designation of Entities to Construct, Implement, Own, Operate, Maintain, Repair, Restore, and/or Finance MTEP Projects:** With the exception of Open Transmission Projects, for each project included in the recommended MTEP Appendix A and prior to approval by the
Transmission Provider Board, the plan shall designate one or more Transmission Owners to construct, own, operate, maintain, repair, restore, and finance the recommended project, based on the planning analysis performed by the Transmission Provider and based on other input from participants, including, but not limited to, any indications of a willingness to bear cost responsibility for the project; and applicable provisions of the ISO Agreement. Regarding Open Transmission Projects, upon the determination of the Selected Transmission Developer for such projects, as set forth in Section VIII of this Attachment FF, the Transmission Provider shall update the approved MTEP Appendix A by identifying the Selected Transmission Developer for each Open Transmission Project. Should the facilities from such Open Transmission Projects not be approved by state regulatory authorities as New Transmission Facilities, but instead as upgrades to existing transmission facilities, as defined in Section VIII.C of this Attachment FF, the Transmission Provider shall update MTEP Appendix A by designating the appropriate Transmission Owner(s) to construct, own, operate, maintain, repair, restore, and finance such facilities in accordance with the ISO Agreement.

VI. **Implementation of the MTEP:**

A. If the Transmission Provider and any Transmission Owner’s planning representatives, or other designated entity(ies), cannot reach agreement on any element of the MTEP, the dispute may be resolved through the dispute resolution procedures provided in the Tariff, or in any applicable joint operating agreement, or by the Commission or state regulatory authorities, where appropriate. The MTEP shall have as one of its goals the satisfaction of all regulatory requirements as specified in Appendix B or Article IV, Section I, Paragraph C of the ISO Agreement.
B. The Transmission Provider shall present the MTEP, along with a summary of relevant alternative projects that were not selected, to the Transmission Provider Board for approval on a biennial basis, or more frequently if needed. The proposed MTEP shall include specific projects already approved as a result of the Transmission Provider entering into Service Agreements with Transmission Customers where such agreements provide for identification of needed transmission construction, timetable, cost, and Transmission Owner or other parties’ construction responsibilities.

C. Approval of the MTEP by the Transmission Provider Board certifies it as the Transmission Provider plan for meeting the transmission needs of all stakeholders subject to any required approvals by federal or state regulatory authorities. The Transmission Provider shall provide a copy of the MTEP to all applicable federal and state regulatory authorities. The affected Transmission Owner(s), Selected Transmission Developer(s), or other designated entity(ies), shall make a good faith effort to design, certify, and build the designated facilities to fulfill the approved MTEP. However, in the event that an MTEP Appendix A project approved by the Transmission Provider Board or the selection of the Selected Transmission Developer is being challenged through the dispute resolution procedures under this Tariff or in court proceedings, the obligation of the Transmission Owners, or other designated entity(ies), to build that specific project (subject to required approvals) is waived until the approved project emerges from the dispute resolution procedures. The Transmission Provider Board shall allow the Transmission Owners, or other designated entity(ies), to optimize the final design of specific facilities and their in-service dates if necessary to accommodate changing conditions, provided that such changes comport with the approved MTEP and provided that any such changes are
accepted by the Transmission Provider through the reevaluation process described in Section VI of this Attachment FF, as necessary. Any disagreements concerning such matters shall be subject to the dispute resolution procedures of this Tariff.

D. The Transmission Provider shall assist the affected Owner(s), Selected Transmission Developer(s), or other designated entity(ies), in justifying the need for, and obtaining certification of, any facilities required by the approved MTEP by preparing and presenting testimony in any proceedings before state or federal courts, regulatory authorities, or other agencies as may be required. The Transmission Provider shall publish annually, and distribute to all Members and all appropriate state regulatory authorities, a five-to-ten-year planning report of forecasted transmission requirements. Annual reports and planning reports shall be available to the general public upon request.

VII. Multi-Value Project Costs and Benefits Review and Reporting

A. Frequency and Reporting of Multi-Value Project Review: Every three (3) years, as provided below and in the Business Practices Manual for Transmission Planning, the Transmission Provider shall conduct a review of the cumulative costs and benefits associated with MVPs, and shall disseminate the results of such reviews to its stakeholders. The Transmission Provider shall use the review process and results to identify potential modifications to the MVP methodology and its implementation for projects to be approved at a future date.

1. Triennial Full MVP Review: Beginning with the MTEP for 2014 (“MTEP 14”), and every third year thereafter, the Transmission Provider shall conduct a full MVP review, as provided in section VII.B of this Attachment FF.
2. Annual Limited MVP Review: Beginning with the MTEP for 2015 (“MTEP 15”), and each year thereafter when there is no full MVP review, the Transmission Provider shall conduct a limited MVP review, as provided in section VII.C of this Attachment FF.

3. Calculation of Costs and Benefits: The Triennial Full MVP Reviews and the Annual Limited MVP Reviews shall calculate costs and benefits on a forward-looking basis over both twenty (20)-year and forty (40)-year periods. The costs calculation shall use updated project costs and in-service dates provided in the latest MTEP quarterly status report, and the benefits calculation shall use updated future scenarios from the latest MTEP planning cycle. The results of the costs and benefits calculation shall be provided for each Local Resource Zone as defined in RAR. If the Local Resource Zones as defined in accordance with RAR are modified, the Transmission Provider, working with stakeholders, may define different Local Resource Zones for purposes of reporting the results of the review. The definition of different Local Resource Zones in connection with reporting the results of the review will be detailed in the Business Practices Manual for Transmission Planning.

4. Dissemination of the Results of the Full and Limited MVP Reviews: Within a reasonable time after completion of each MVP review, the Transmission Provider shall disseminate the results of and supporting analysis for the MVP review through: (a) publication in the MTEP; (b) posting on the appropriate section of the Transmission Provider’s public website; and (c) presentation to the
appropriate stakeholder committees.

B. **Scope of Full Multi-Value Project Review**: Each full MVP review shall at a minimum include the following:

1. **Quantitative Benefits**: Analysis of the quantifiable economic benefits resulting from the addition of MVPs, including, but not limited to:
   a. **Congestion and Fuel Savings**: Savings from increased access to lower cost Resources;
   b. **Decreased Operating Reserves**: Savings associated with lower Operating Reserve requirements;
   c. **Decreased System Planning Reserve Margin**: Savings associated with deferred generation investment due to a reduction in the system-wide Planning Reserve Margin; and
   d. **Decreased Transmission Line Losses**: Savings associated with deferred generation investment due to a reduction in the Capacity required to serve transmission losses during peak hours, to the extent that MVPs reduce such losses.

2. **Public Policy and Other Qualitative Benefits**: Analysis of the public policy and other qualitative benefits accruing from MVPs, such as newly interconnected wind units; and an increase in the percentage of the Transmission Provider’s Energy needs being supplied by wind and/or other renewable resources, and wind curtailments.

3. **Historical Data**: Provision, beginning with the MTEP for 2017 (“MTEP 17”), and...
based on the historical data available to the Transmission Provider for the five (5) prior years, of information on certain additional market trend metrics including, but not limited to:

a. Congestion costs;

b. Energy prices;

c. Fuel costs;

d. Planning Reserve Margin requirements;

e. Number of newly interconnected Resources, by Resource type; and

f. The share of the Transmission Provider’s Energy supplied, by Resource type.

C. **Scope of Limited Multi-Value Project Review:** Each limited MVP review shall at a minimum include the items described in Sections VII.B.1.a and VII.B.3 of this Attachment FF, as well as project costs and in-service dates, based on the latest available data for the current year, in preparation for the next full MVP review.

Effective On: January 1, 2015
VIII. Transmission Developer Qualification and Selection

A. Applicability

(1) **State or Local Rights of First Refusal.** The Transmission Provider shall comply with any Applicable Laws and Regulations granting a right of first refusal to a Transmission Owner. The Transmission Owner will be assigned any transmission project within the scope, and in accordance with the terms, of any Applicable Laws and Regulations granting such a right of first refusal. These Applicable Laws and Regulations include, but are not limited to, those granting a right of first refusal to the incumbent Transmission Owner(s) or governing the use of existing developed and undeveloped right of way held by an incumbent utility.

(2) **Upgrades to Existing Transmission Facilities.** A Transmission Owner shall have the right to develop, own and operate any upgrade to a transmission facility owned by the Transmission Owner, in accordance with this Tariff and the ISO Agreement.

2.1 **Upgrades to Existing Transmission Lines.** Upgrades to existing transmission line facilities include any expansion, replacement or modification, for any purpose, made to existing transmission line facilities that are classified as transmission plant and owned by one or more Transmission Owners, for reasons including, but not limited to:

(a) increasing the load capability of the transmission line or an associated circuit;
(b) increasing the nominal operating voltage of the transmission line or an associated circuit;

(c) installing additional plant on an existing overhead or underground transmission line facility, such as, but not limited to:
   i. plant associated with an additional circuit installed on spare structure positions;
   ii. additional structures to increase a sag limit or for other purposes;
   iii. a sectionalizing switch installed on an existing transmission line circuit regardless of whether or not it is installed on an existing structure; and
   iv. any other plant additions to existing transmission line facilities.

(d) any requirement or request to relocate transmission line facilities owned by an incumbent Transmission Owner where the purpose of the relocation is not part of the core scope of an Open Transmission Project, including, but not limited to, relocations driven by aesthetics, highway expansion projects, other infrastructure expansion projects, projects to improve the reliability or performance of the Transmission System, projects to reduce the cost to operate and maintain the Transmission System, projects to interconnect new generation and load, and projects to accommodate the relocation of an existing substation;

(e) any requirement or request to relocate existing transmission line facilities owned by an incumbent Transmission Owner to accommodate New
Transmission Line Facilities associated with an Open Transmission Project, where such construction of the New Transmission Line Facilities requires or requests use of the incumbent Transmission Owner’s right-of-way and, as a result, also requires or requests transfer of the existing transmission facilities to alternative right-of-way or an alternative position on the same right-of-way based on either mutual consent of the incumbent Transmission Owner and Selected Transmission Developer and/or the outcome of a state regulatory proceeding or court action;

(f) functionally equivalent capital replacement of any portion of an existing transmission line facility due to aging, deterioration, damage, poor performance, aesthetics, high operating and maintenance costs, or other similar reasons;

(g) replacing one or more existing components of any existing transmission line facility, such as, but not limited to:

i. replacing existing conductors with higher capacity conductors or better performing conductors;

ii. replacing existing structures;

iii. replacing insulators rated at a specific voltage with insulators rated at a higher voltage;

iv. replacing aging or defective components associated with the existing transmission line;

(h) improving the performance or characteristics of the existing transmission
line for any reason;

(i) converting an existing overhead transmission line to an underground transmission line on the same right-of-way and/or converting an existing underground transmission line to an overhead transmission on the same right-of-way;

(j) improving land and land rights booked under the Commission’s Uniform System of Accounts, Account Nos. 105, 350, and/or 380; or

(k) any other modifications to existing transmission facilities.

2.1.1 Installation of Additional Transmission Circuits on Existing Transmission Lines. If an Open Transmission Project includes developing a new transmission circuit and either the project scope or subsequent state or local regulatory proceedings determine that all or a portion of the circuit must be installed on an existing transmission line that is part of the Transmission System (i.e., co-located with existing transmission circuits on the same structures), the following rules will be used to determine what constitutes an upgrade:

a) If the structures associated with the existing transmission line are multi circuit structures and have spare positions to accommodate installation of one or more additional transmission circuit(s), installation of the new transmission circuit(s) on these spare structure positions will be
considered an upgrade.

b) If the structures associated with the existing transmission line can be expanded to accommodate installation of one or more additional transmission circuit(s), expansion of the structure and installation of the new transmission circuit(s) will be considered an upgrade.

c) If the structures associated with the existing transmission line are not multi circuit structures and cannot be expanded to accept additional circuits, do not have sufficient spare structure positions available to accommodate the new transmission circuit(s), or have spare structure positions that are reserved for future use by the incumbent Transmission Owner and not available for the new transmission circuit(s) in question, it will be necessary to rebuild the existing transmission line to accommodate one or more additional transmission circuits. Under this scenario, acquisition of additional right-of-way (if necessary), removal of the existing transmission line plant, construction of new transmission line structures, and transfer or replacement of the existing transmission line conductors, insulators, and shield wires will be considered an upgrade. Installation of new conductors and insulators
associated with the new transmission circuit(s) will not be considered an upgrade. Therefore, the incumbent Transmission Owner will have the right of first refusal to engineer, construct, own, operate, restore, maintain, and collect revenue on all transmission plant associated with rebuilding the existing transmission line that is booked to Account Nos. 350, 352, 353, 354, 355, 357, 359, and 359.1 of the Commission’s Uniform System of Accounts in accordance with such Uniform System of Accounts. Furthermore, the incumbent Transmission Owner will have the right of first refusal to engineer, construct, own, operate, restore, maintain, and collect revenue on all plant associated with existing transmission circuits that is booked to Account Nos. 356 and 358 of the Commission’s Uniform System of Accounts in accordance with such Uniform System of Accounts. In addition, the incumbent Transmission Owner will have the right of first refusal to engineer, construct, own, operate, maintain, and collect revenue on all shield wires associated with the existing transmission line that is booked to Account No. 356 of the Commission’s Uniform System of Accounts in accordance with such Uniform System of Accounts, except for any
shield wire that consists of fiber optic cable and is intended to facilitate communications to support protection of the new transmission circuit(s) where the associated protective relay schemes at all terminals associated with the new transmission circuit(s) will be owned by the Selected Transmission Developer in accordance with the provisions of Attachment FF that govern whether or not substation improvements are considered an upgrade. The Selected Transmission Developer will have the right to engineer, design, own, operate, restore, maintain, and collect revenue on all plant associated with the new transmission circuit(s) that is booked to Account Nos. 356 and 358 of the Commission’s Uniform System of Accounts in accordance with such Uniform System of Accounts and any shield wire that consists of fiber optic cable and is intended to facilitate communications to support protection of the new transmission circuit(s) where the associated protective relay schemes at all terminals associated with the new transmission circuit(s) will be owned by the Selected Transmission Developer in accordance with the provisions of Attachment FF that govern whether or not substation improvements are considered an upgrade. In such cases
where an incumbent Transmission Owner and a Selected Transmission Developer both own plant associated with a rebuilt existing transmission line, each party will have the right to allocate their respective costs (i.e., revenue requirements for its portion of the investment) in accordance with the cost allocation provisions of this Tariff for Multi Value Projects or Market Efficiency Projects as appropriate. Furthermore, such parties shall, in good faith, develop, negotiate, and execute a joint-use agreement for these facilities that governs responsibilities (including who incurs associated costs) for permitting, engineering, construction, operations, maintenance, restoration, and facility access and file such executed agreement with the Commission, and submit a copy to the Transmission Provider. However, there is no obligation on the incumbent Transmission Owner to provide project implementation and/or operations and maintenance services to the Selected Transmission Developer for the Selected Transmission Developer’s portion of the facility, nor is there any obligation on the Selected Transmission Developer to provide project implementation and/or operation and maintenance services to the incumbent
Transmission Owners for the incumbent Transmission Owner’s portion of the facility, other than the mutual coordination of activities.

2.2 **Upgrades to Existing Substations.** Upgrades to existing substations include any expansions, replacements or modifications made, in part or in whole, to any existing substation or portion thereof that is owned by one or more Transmission Owners, and where some or all of the plant within the existing substation is classified as transmission plant. These upgrades include, but are not limited to:

(a) replacing facilities and/or equipment within an existing substation footprint;

(b) installing additional plant within an existing substation footprint;

(c) modifying facilities and/or equipment within an existing substation footprint;

(d) expanding an existing substation footprint within the existing substation site boundaries and installing additional plant within the expanded area;

(e) acquiring additional land adjacent to the existing substation in conjunction with installation of additional plant within the boundaries of this additional land, including facilities to interconnect such plant to the existing substation plant; and

(f) developing an additional footprint near the existing substation to
facilitate effective expansion of the existing substation as further described below in section 1.2.2.

2.2.2 Construction of a new substation footprint near an existing substation to facilitate expansion of the existing substation is considered an upgrade and is necessary when the transmission project calls for expansion of the existing substation and there is not sufficient space for such expansion. Upgrades through development of a second substation footprint can be accomplished in one of two ways. First, a second substation footprint can be developed near the existing substation footprint, and the two substation footprints will function electrically as a single substation and will be interconnected by bus extensions or connectors. An example would be expanding an existing substation that is landlocked by public roadways by developing a second substation footprint on the other side of one of the roads and then installing an overhead single span connector which would function as a substation bus to interconnect the two substation footprints. Second, an existing substation could be retired for many reasons such as but not limited to: lack of room for future expansions, physical conditions such as soil subsidence, earthquake reinforcement requirements, to prevent flood damage, regulatory/public necessity/economic reasons, and other similar factors. A new substation could be developed nearby on a different site and all transmission circuits into the existing substation could be rerouted.
to the new site, which is essentially the relocation of an existing 
substation. These scenarios represent upgrades to an existing substation 
when the intent of the transmission project produced by the transmission 
planning process is to expand the existing substation rather than develop a 
new substation or to relocate an existing substation for reasons not related 
to implementation of a regionally cost shared transmission project.

B. Transmission Developer Qualification

(1) **Qualified Transmission Developers.** Only Qualified Transmission 
Developers may submit New Transmission Proposals in response to 
Transmission Proposal Requests posted by the Transmission Provider for 
Open Transmission Projects. A Qualified Transmission Developer Applicant 
will be designated a Qualified Transmission Developer through an annual 
prequalification process. A Qualified Transmission Developer Applicant 
must be certified, by the Transmission Provider, as a Qualified Transmission 
Developer at the time a Transmission Proposal Request is posted in order to 
be eligible to submit a New Transmission Proposal. The Transmission 
Provider will maintain a list of Qualified Transmission Developers on its 
website that will be updated within thirty (30) days of the conclusion of the 
annual prequalification process described in Section VIII.B.2 of this 
Attachment FF.

(2) **Prequalification Process.** The annual prequalification process will be used 
by the Transmission Provider to: i) process Transmission Developer
Applications; ii) certify, as a Qualified Transmission Developer, each Qualified Transmission Developer Applicant that meets the qualification requirements; iii) remove Qualified Transmission Developers from the Qualified Transmission Developer list upon request to do so by such Qualified Transmission Developer; and iv) confirm that existing Qualified Transmission Developers continue to meet applicable eligibility requirements and remove them from the Qualified Transmission Developer list if they no longer meet eligibility requirements.

a) **New Qualified Transmission Developers.**

A. **New Transmission Developer Application Submission.**

In January of each year, the Transmission Provider will post on its website an invitation and application template for prospective transmission developers that are not Qualified Transmission Developers to submit a Transmission Developer Application. Each Qualified Transmission Developer Applicant must submit, by the deadline specified on the invitation, but no less than thirty (30) days from the date the invitation was posted, a Transmission Developer Application using the template posted with the invitation and further described in the applicable Business Practices Manuals. The Qualified Transmission Developer Applicant may submit its completed Transmission Developer Application via e-mail, conventional mail, or delivered by courier, but must be received by the Transmission Provider by 5:00 PM EPT on the
day specified as the deadline. The Transmission Developer Application must be accompanied by a non-refundable application fee in the amount of $20,000.00 to cover the cost of processing, reviewing, and certifying the Qualified Transmission Developer Applicant as a Qualified Transmission Developer should all qualification requirements be satisfied. The information submitted in the Transmission Developer Application must provide all qualification data required per Sections VIII.B.3, VIII.B.4, VIII.B.5, VIII.B.6, and VIII.B.7 of this Attachment FF.

B. Transmission Developer Application Cure Period

To the extent the Transmission Provider finds the Transmission Developer Application deficient of data necessary to support all qualification requirements, the Transmission Provider will notify the applicant by e-mail within thirty (30) days of receipt and the Qualified Transmission Developer Applicant will have thirty (30) days from notification to submit the additional data required. No additional cure period will be allowed for the purpose of gaining qualification.

C. Qualified Transmission Developer Certification Notification

The Transmission Provider will certify those Qualified Transmission Developer Applicants that meet the requirements for qualification and will notify a Qualified Transmission Developer Applicant of the Transmission Provider’s decision within one-hundred eighty (180) days
of receipt of each Transmission Developer Application, except in the first year of such process, in which case notification will be made within two-hundred seventy (270) days of receipt of each Transmission Developer Application.

D. New Qualified Transmission Developer Updates

The Transmission Provider will update, on the Transmission Provider’s website, the list of Qualified Transmission Developers within thirty (30) days of providing notification to the applicants found to be qualified. If the Transmission Provider does not certify a Qualified Transmission Developer Applicant, it will provide the applicant with a written explanation detailing its determination within thirty (30) days after notification.

E. Qualification of Joint Ventures

A group of individual, certified Qualified Transmission Developers that desire to be certified as a joint venture eligible to be a Qualified Transmission Developer shall be automatically qualified if the joint venture of Qualified Transmission Developers: (i) provide the necessary guarantees to utilize their respective resources to support the joint venture and (ii) submit a Transmission Developer Application in accordance with this Section VIII of Attachment FF to seek official status as a Qualified Transmission Developer.

F. Authority to Certify Qualified Transmission Developers
The Executive Oversight Committee shall have the exclusive and final authority to approve or reject Transmission Developer Applications and certify Qualified Transmission Developers.

b) **Retiring Qualified Transmission Developers.** A Qualified Transmission Developer that desires to terminate its status as a Qualified Transmission Developer may do so at any time by notifying the Transmission Provider. Upon such notification, the Transmission Provider will update the Qualified Transmission Developer list within thirty (30) days of notification. A retired Qualified Transmission Developer may renew its status as a Qualified Transmission Developer by following the process outlined in Section VIII.B.2.a for Qualified Transmission Developer Applicants seeking Qualified Transmission Developer status in subsequent annual qualification processes.

c) **Renewing Qualified Transmission Developers.** In January of each year, at the time the Transmission Provider posts on its website an invitation for prospective transmission developers to submit Transmission Developer Applications, the Transmission Provider will also send a notification to each existing Qualified Transmission Developer requesting a confirmation that the Qualified Transmission Developer continues to meet the requirements for a Qualified Transmission Developer.

1. **Qualified Transmission Developer Renewal Submission.**

   In response to the renewal invitation, Qualified Transmission
Developers must: (i) update data currently on file with the Transmission Provider regarding qualification requirements that were used previously to establish or confirm the entity as a Qualified Transmission Developer if such data has materially changed; (ii) explain how any changes to data currently on file with the Transmission Provider do not invalidate the Qualified Transmission Developer’s status; and (iii) submit such updates, including a signed confirmation that the Qualified Transmission Developer still meets all qualification requirements, within sixty (60) days of the date the Transmission Provider requests such data.

2. Clarifications of Qualified Transmission Developer Renewal Submission.

The Transmission Provider may, if necessary, within sixty (60) days of receipt of a Qualified Transmission Developer renewal submission, request clarification or further explanation to ensure the Qualified Transmission Developer continues to meet the qualification requirements.


The Transmission Provider will notify the Qualified Transmission Developer, within one-hundred eighty (180) days of the initial notification requesting the Qualified Transmission Developer to confirm it continues to meet qualification requirements, as to
whether or not such entity continues to meet the requirements for qualification.

4. Requalification as a Qualified Transmission Developer.

In the event a Qualified Transmission Developer no longer meets the requirements to be certified as a Qualified Transmission Developer, such Qualified Transmission Developer may seek re-qualification during any subsequent annual qualification process as described in Section VIII.B.2.a of this Attachment FF.

d) The Executive Oversight Committee has the exclusive authority to terminate a Qualified Transmission Developer.

(3) General Requirements for Qualified Transmission Developers. The general requirements applicable to Qualified Transmission Developers include the following agreements:

a. The Qualified Transmission Developer Applicant must be a Transmission Owner or Non-owner Member in good standing at the time the Transmission Developer Application is filed to seek certification as a Qualified Transmission Developer, and must maintain such status throughout the entire prequalification process.

b. The Qualified Transmission Developer Applicant must submit a written commitment, signed by an authorized representative of the Qualified Transmission Developer Applicant, to execute the ISO Agreement if designated as a Selected Transmission Developer for a
future Open Transmission Project. Execution of the ISO Agreement must take place after the facilities have been constructed but prior to energization of such New Transmission Facilities, unless the Qualified Transmission Developer Applicant is already a Transmission Owner;

c. The Qualified Transmission Developer Applicant must submit a written commitment, signed by an authorized representative of the Qualified Transmission Developer Applicant, to comply with all Applicable Laws and Regulations, codes, and standards governing the engineering, design, construction, operation, and maintenance of transmission facilities including, but not limited to, federal laws; applicable state and local laws; applicable state and local building codes; federal regulatory requirements; applicable state and local regulatory requirements; applicable state and local licensing authorities; the National Electric Safety Code; the National Electric Code; Applicable Reliability Standards; and Good Utility Practice should the Qualified Transmission Developer be selected in the future as a Selected Transmission Developer for one or more Open Transmission Projects;

d. The Qualified Transmission Developer Applicant must submit a written commitment, signed by an authorized representative of the Qualified Transmission Developer Applicant, to register with NERC, in accordance with NERC’s registration guidelines, as the transmission
owner (TO), transmission operator (TOP), and transmission planner (TP), as defined by NERC, for all transmission facilities that are part of the Open Transmission Project that the Qualified Transmission Developer, if selected as the Selected Transmission Developer, will own;

e. The Qualified Transmission Developer Applicant must submit a written commitment, signed by an authorized representative of the Qualified Transmission Developer Applicant, that if selected as the Selected Transmission Developer, the Qualified Transmission Developer Applicant shall either i) contract with the interconnecting Local Balancing Authority (LBA) to include the New Transmission Facilities within the boundaries of the interconnecting LBA and demonstrate to the satisfaction of the Transmission Provider and per agreement by the interconnecting LBA that applicable LBA-related tasks associated with the proposed New Transmission Facilities that may be delegated to an LBA by the Balancing Authority Agreement will be carried out either by the LBA or the Qualified Transmission Developer Applicant if selected as a Selected Transmission Developer; or ii) execute the Balancing Authority Agreement, register with NERC as a Balancing Authority (BA), and be designated as the Local Balancing Authority for any proposed New Transmission Facilities, unless the Qualified Transmission Developer Applicant is already
registered with NERC as a BA and designated as an LBA for one or more of the existing transmission facilities that may interconnect directly with any New Transmission Facilities associated with the Open Transmission Project(s) that the Qualified Transmission Developer may be awarded;

f. The Qualified Transmission Developer Applicant must make a written commitment, signed by an authorized representative of the Qualified Transmission Developer Applicant, that, if selected as a Selected Transmission Developer, it shall comply with the FERC Form 715 Part 4 TRPC, Transmission Planning Criteria and Guidelines on file with FERC and established by each incumbent Transmission Owner whose existing transmission facilities will interconnect directly with the New Transmission Line Facilities and/or New Substation Facilities; and

g. The Qualified Transmission Developer Applicant must make a written commitment, signed by an authorized representative of the Qualified Transmission Developer Applicant, that, if it is selected as a Selected Transmission Developer, it shall comply with current requirements and standards regarding the interconnection of transmission facilities published by each Transmission Owner to which New Transmission Line Facilities and/or New Substation Facilities will interconnect including, but not limited to, those standards and requirements.
required for compliance with the applicable NERC Facilities Design, Connections, and Maintenance ("FAC") Reliability Standards.

4. Project Implementation Requirements for Qualified Transmission Developers. Qualified Transmission Developer Applicants must submit documentation to demonstrate to the Transmission Provider that the Qualified Transmission Developer Applicant has or can obtain sufficient capabilities and competencies to satisfy the following project implementation requirements for Open Transmission Projects:

a. Project management;
b. Routing and siting studies including public outreach;
c. Preliminary and detailed engineering and surveying;
d. Material and equipment procurement;
e. Construction; and
f. Commissioning.

There are two general methods that a Qualified Transmission Developer Applicant may use to demonstrate it will have sufficient capabilities and competencies to perform project implementation tasks if chosen as the Selected Transmission Developer for a project. First, the Qualified Transmission Developer Applicant may provide evidence that it currently develops transmission projects by listing data, pursuant to templates developed by the Transmission Provider, regarding the transmission facilities it owns and the infrastructure and
resources it has in place to perform the project implementation activities to
develop such transmission facilities, where infrastructure and resources may
include, but not necessarily be limited to, employees, contractors, tools,
equipment, buildings, vehicles, policies, processes, and procedures. Second, a
Qualified Transmission Developer Applicant can provide a detailed business
implementation plan describing how it would acquire the capabilities and
competencies to perform the specific project implementation tasks listed above,
including plans for: i) retaining personnel or contractors; ii) utilizing
infrastructure and resources owned and operated by an affiliate company; iii)
qualifying personnel and contractors utilized; iv) acquiring required tools,
equipment, and vehicles; v) development of project management, engineering,
material, and construction standards and practices to be followed for specific
types of facilities; vi) route and site studies (including public outreach); and vii)
procuring adequate capital to develop transmission projects.

In the event that a Qualified Transmission Developer intends to
demonstrate its project implementation qualifications by obtaining the requisite
capabilities and competencies by contracting with third parties, the Qualified
Transmission Developer Applicant shall submit—either as part of its business
implementation plan or in separate documentation—an explanation of the
capabilities and competencies that the Qualified Transmission Developer
Applicant possesses at the time of application and those capabilities and
competencies for which the Qualified Transmission Developer Applicant intends
to contract in order to demonstrate its ability to satisfy the foregoing project implementation requirements for Open Transmission Projects. For each capability or competency that the Qualified Transmission Developer Applicant does not possess but intends to procure through contracting with third parties, the Qualified Transmission Developer Applicant shall provide a detailed contracting plan that contains a detailed description of the steps the Qualified Transmission Developer Applicant intends to take to procure needed capabilities or competencies if it is chosen as the Selected Transmission Developer for an Open Transmission Project.

The Qualified Transmission Developer Applicant shall not be required to have executed contracts with third parties to obtain all required capabilities or competencies at the time of application in order to prequalify as a Qualified Transmission Developer. However, the Qualified Transmission Developer Applicant bears the burden of identifying the capabilities or competencies it possesses and those for which it must contract with third parties and that the Qualified Transmission Developer Applicant has a realistic contracting plan for obtaining those capabilities.

5. Operations, Maintenance, Repair, and Replacement Requirements for Qualified Transmission Developers. Qualified Transmission Developer Applicants must submit documentation that demonstrates to the Transmission Provider that the Qualified Transmission Developer Applicant possesses or can obtain sufficient capabilities and competencies to adequately perform the
following operations, maintenance, testing, inspection, repair, and replacement
tasks for any New Transmission Facilities associated with an Open Transmission
Project once such facilities are in service and part of the Transmission System:

(1) Forced outage response for transmission line circuits;
(2) Forced outage response for substations;
(3) Switching for transmission line circuits;
(4) Switching for substations;
(5) Transmission line emergency repair;
(6) Substation emergency repair and testing;
(7) Transmission line preventative and/or predictive maintenance, including vegetation management;
(8) Substation preventative and/or predictive maintenance including equipment testing;
(9) Maintenance and management of spare parts, spare structures, and/or spare equipment inventories for substations and/or transmission lines, as applicable, including description of any agreements to share spare equipment, spare parts, and/or spare structures with other transmission entities;
(10) Real-time operations monitoring and control capabilities; and
(11) Major facility replacements or rebuilds required as a result of catastrophic destruction or natural aging through normal wear and
tear, including financial strategy to facilitate timely replacements
and/or rebuilds.

(12) Once a Qualified Transmission Developer, the Transmission
Provider may require additional demonstration of qualifications to
operate, maintain, restore, test, inspect, and replace specific New
Transmission Facilities associated with specific Open

There are two general methods that a Qualified Transmission Developer
Applicant may use to demonstrate it will have sufficient capabilities and
competencies to perform operations and maintenance services if chosen as the
Selected Transmission Developer for an Open Transmission Project. First,
Qualified Transmission Developer Applicant may provide evidence that it
currently owns and/or operates and maintains electric transmission facilities by
listing data, pursuant to templates developed by the Transmission Provider,
regarding the transmission facilities it owns and/or operates and maintains and the
infrastructure and resources it has in place to perform the operations and
maintenance activities for such transmission facilities, where infrastructure and
resources may include, but not necessarily be limited to, employees, contractors,
tools, equipment, buildings, spare materials and equipment, vehicles, policies,
processes, and procedures. Second, a Qualified Transmission Developer
Applicant can provide a detailed business implementation plan describing how it
would acquire the capabilities and competencies to perform the specific
operations and maintenance tasks listed above, including plans for: i) retaining personnel or contractors; ii) utilizing infrastructure and resources owned and operated by an affiliate company; iii) qualifying personnel and contractors utilized; iv) acquiring required tools, equipment, and vehicles; v) development of maintenance standards and practices to be followed for specific types of facilities; vi) developing standards governing where personnel, equipment, and spare parts/equipment will be maintained with respect to potential future facilities (e.g., maximum distance between facility and local office, etc.); vii) emergency response times; and viii) maintaining adequate capital procurement capabilities to rebuild facilities following major catastrophic outages (including property insurance and risk mitigation strategies).

In the event that a Qualified Transmission Developer Applicant intends to demonstrate its operations and maintenance, repair and replacement qualifications by obtaining the requisite capabilities and competencies by contracting with third parties, the Qualified Transmission Developer Applicant shall submit—either as part of its business implementation plan or in separate documentation—an explanation of the capabilities and competencies that the Qualified Transmission Developer Applicant possesses at the time of application and those capabilities and competencies for which the Qualified Transmission Developer Applicant intends to contract in order to demonstrate its ability to implement the foregoing project operation, maintenance, repair, and replacement requirements for Open Transmission Projects. For each capability or competency that the Qualified
Transmission Developer Applicant does not possess but intends to procure through contracting with third parties, the Qualified Transmission Developer Applicant shall provide a detailed contracting plan that contains a detailed description of the steps the Qualified Transmission Developer Applicant intends to take to procure needed capabilities or competencies if it is chosen as the Selected Transmission Developer for an Open Transmission Project.

The Qualified Transmission Developer Applicant shall not be required to have executed contracts with third parties to obtain all required capabilities or competencies at the time of application order to prequalify as a Qualified Transmission Developer. However, the Qualified Transmission Developer Applicant bears the burden of identifying the capabilities or competencies it possesses and those for which it must contract with third parties and that the Qualified Transmission Developer Applicant has a realistic contracting plan for obtaining those capabilities.

6. **Legal Requirements for Qualified Transmission Developers.** Qualified Transmission Developer Applicants must submit the following information and demonstrate to the Transmission Provider that the information submitted represents an acceptable level of risk to rely on the Qualified Transmission Developer Applicant, if designated a Selected Transmission Developer, to successfully implement a transmission project and own and operate the associated transmission facilities once in service. The information submitted must include written certification signed by an authorized representative of the Qualified
Transmission Developer Applicant stating that the submitted information is accurate:

a) A summary of legal and/or regulatory violations during the past five years or, if the Qualified Transmission Developer Applicant has been in business for less than five years, the number of years for which the Qualified Transmission Developer Applicant has been in business, by the Qualified Transmission Developer Applicant found by federal or state courts, federal regulatory agencies, state public utility commissions, other regulatory agencies, or attorneys general. This includes, but is not limited to, Federal Energy Regulatory Commission (“FERC”), North American Electric Reliability Corporation (“NERC”) Reliability Standards, Securities Exchange Commission (“SEC”) regulations, U.S. Commodity Futures Trading Commission (“CFTC”) regulations, and other applicable requirements.

b) A summary of any and all instances in which the Qualified Transmission Developer Applicant is currently under investigation or is a defendant in a proceeding involving an attorney general or any state or federal regulatory agency, for violation of any laws, including regulatory requirements, during the past five years or, if the Qualified Transmission Developer Applicant has been in business for less than five years, the number of years for which the Qualified Transmission Developer Applicant has been in business. The Qualified Transmission Developer Applicant shall
include an affidavit signed by an authorized officer of the Qualified Transmission Developer Applicant’s company stating that the information in the submission is true and accurate and that the Qualified Transmission Developer Applicant will comply with all applicable requirements in this Tariff, the Business Practices Manuals, or other applicable Transmission Provider documents or agreements.

c) Each Qualified Transmission Developer Applicant has an ongoing duty to provide an update to the Transmission Provider as soon as reasonably practical should there be any material changes to its (or relevant parent’s) information submitted in compliance with Section VIII.B.6 after its Transmission Developer Application is submitted.

7. **Financial Requirements for Qualified Transmission Developers.** Qualified Transmission Developer Applicants must submit the following information and demonstrate to the Transmission Provider that the information submitted represents an acceptable level of risk to rely on the Qualified Transmission Developer Applicant to successfully implement a transmission project and own and operate the associated transmission facilities once in service. The information submitted must include written certification signed by an authorized representative of the Qualified Transmission Developer Applicant stating that the submitted information is accurate:

a) A proposed financial plan demonstrating adequate capital resources (e.g., current assets, revolving lines, commercial paper, letter of credit, stock or
bond issuance or other sources of liquidity) are available to the Qualified Transmission Developer Applicant to allow for Open Transmission Projects to be implemented on schedule and associated New Transmission Facilities to be operated and maintained appropriately after the facilities are in service.

b) The credit rating(s) for the Qualified Transmission Developer Applicant from Moody’s Investor Services, Inc., Standard and Poor’s Rating Group and/or other Nationally Recognized Statistical Rating Organization (“NRSRO”) as recognized by the Securities and Exchange Commission (“SEC”). Such credit rating information may pertain to a parent company in lieu of the Qualified Transmission Developer Applicant if the parent company is making a written guarantee, which must be included with the application. A written guarantee must be in a form acceptable to the Transmission Provider. In the event the Qualified Transmission Developer Applicant is rated by more than one NRSRO, then the lowest rating will be the benchmark for consideration of demonstrating and maintaining an investment grade credit rating. For example, an investment grade rating is considered to be a rating of Baa3 or above from Moody’s Investor Services, Inc. or BBB- or above from Standard and Poor’s Rating Group (equivalent ratings will be used for other rating agencies). The focus of the review will be on the entity’s unsecured, senior long-term debt ratings (not supported by third-party enhancements).
If unsecured, senior long-term debt ratings are not available, the Transmission Provider may consider Issuer Ratings.

In the event the Qualified Transmission Developer Applicant does not have an investment grade rating, the Transmission Provider will consider the other information the Qualified Transmission Developer Applicant has submitted to evaluate its financial capability to construct the transmission facility in a timely manner, and to maintain and operate it reliably for the long term.

c) General financial information, including two years of audited financial statements with notes to the financials and a signed commitment by an authorized representative of the Qualified Transmission Developer Applicant that it is not aware of any material events or circumstances that would likely result in a material adverse weakness in financial strength throughout project implementation of future Open Transmission Projects that it might be awarded after it is certified as a Qualified Transmission Developer. This information may pertain to a parent company in lieu of the Qualified Transmission Developer Applicant if the parent company is making a written guarantee, which must be included with the Qualified Transmission Developer Application. A written guarantee must be in a form acceptable to the Transmission Provider.

d) A summary of any history of bankruptcy, dissolution, merger, or acquisition of the Qualified Transmission Developer Applicant, or any
predecessors in interest for the current calendar year and the five calendar years immediately preceding its submission of the application. This information must also be submitted for any parent company that is making a written guarantee to satisfy the requirements in Section VIII.B.7.b and VIII.B.7.c above. A written guarantee must be in a form acceptable to the Transmission Provider.

e) Each Qualified Transmission Developer Applicant has an ongoing duty to provide an update to the Transmission Provider as soon as reasonably practical should there be any material changes to its (or relevant parent’s) financial information submitted in compliance with Section VIII.B.7 after its Transmission Developer Application is submitted.

8. **Confidential Treatment of Qualified Transmission Developer Applications.**

All information submitted with Transmission Developer Applications will be considered Confidential Information and will not be publicly posted or shared with any individual except employees of the Transmission Provider and/or contractors of the Transmission Provider that have executed an appropriate non-disclosure agreement.

9. **Alternative Dispute Resolution.** Any Qualified Transmission Developer Applicant who is not approved as a Qualified Transmission Developer may request alternative dispute resolution under Attachment HH of the Transmission Provider’s Tariff within 30 calendar days of receiving from the Transmission Provider the written explanation of its decision to deny the application.
C. New Transmission Proposal Data Submission

1. Determination of Open Transmission Projects. Upon the Transmission Provider Board’s approval of transmission projects for inclusion in Appendix A of the MTEP, the Transmission Provider will develop a separate Transmission Proposal Request for each Open Transmission Project. These Transmission Proposal Request(s) will be posted on the Transmission Provider website within thirty (30) calendar days of the date the Transmission Provider Board approved the Open Transmission Project for inclusion in Appendix A of the MTEP. Pursuant to Section VIII.A.1, only New Transmission Facilities eligible under state law will be included in the Open Transmission Project where i) all other New Transmission Facilities and ii) upgrades as described in Section VIII.A.2 will be assigned to the applicable incumbent Transmission Owner in accordance with the Owners Agreement.

2. Transmission Proposal Requests

a. Qualification to Submit New Transmission Proposals. New Transmission Proposals may be submitted only in response to a posted Transmission Proposal Request and only by entities that are Qualified Transmission Developers.

b. Transmission Proposal Request Deposit. The New Transmission Proposal Applicant will submit an initial deposit of $100,000.00 with each New Transmission Proposal. The Transmission

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Provider shall evaluate all New Transmission Proposals submitted in response to each Transmission Proposal Request together and track all time and expenses specifically associated with the evaluation of all such New Transmission Proposals. The Transmission Proposal Request deposits of all New Transmission Proposal Applicants will be applied equally to the cost of evaluating all the New Transmission Proposals. Any shortfall associated with evaluation of the New Transmission Proposals submitted in response to each Transmission Proposal Request will be billed by the Transmission Provider on a pro rata basis to each New Transmission Proposal Applicant. Each New Transmission Proposal Applicant shall be responsible for paying its pro rata share of any shortfall to the Transmission Provider within thirty (30) days of receiving notice of the shortfall. Any funds remaining after the evaluation of all New Transmission Proposals submitted in response to a Transmission Proposal Request, including refunds to New Transmission Proposal Applicants who are not chosen as the Selected Transmission Developer by the Transmission Provider, shall be refunded on a pro rata basis to each New Transmission Proposal Applicant within thirty (30) days following the designation of the Selected Transmission Developer, including interest payable at a rate consistent with 18 CFR § 35.19a.

c. Minimum Contents of Transmission Proposal Requests. The Transmission Proposal Request will specify i) each New Transmission
Line Facility and/or each New Substation Facility associated with the
Open Transmission Project that should be included in the New
Transmission Proposal; ii) the date by which the New Transmission
Proposal must be submitted to the Transmission Provider, which shall not
exceed one-hundred eighty (180) calendar days from the posting of the
Transmission Proposal Request; iii) a list of the current transmission
facility interconnection standards and requirements established by the
Transmission Owner(s) to which the New Transmission Line Facilities
and/or New Substation Facilities will interconnect; and iv) additional
requirements or qualification criteria of a specific state(s) related to
specific New Transmission Facilities to be located within that state’s(s’) boundaries.

i. Furthermore, where it involves one or more New
Transmission Line Facilities, the Transmission Proposal
Request will specify for each New Transmission Line
Facility, at a minimum:

(1) Expected in-service date;

(2) Implementation schedule indicating the required
steps to develop and construct the Open
Transmission Project, including, but not limited to,
all required regulatory approvals;
(3) Nominal operating voltage level in kV and voltage characteristics \((i.e., \text{three-phase AC, bipolar DC, etc.})\) for each transmission circuit;

(4) Terminating substations and buses for each transmission circuit;

(5) Minimum required normal and emergency load ratings for both summer and winter seasons for each transmission circuit; and

(6) Maximum allowable positive sequence impedance for each transmission circuit when determined applicable by planning studies performed by the Transmission Provider.

ii. Where it involves one or more New Substation Facilities, the Transmission Proposal Request will specify for each New Substation Facility, at a minimum, the following information:

(1) Expected in-service date;

(2) Implementation schedule indicating the required steps to develop and construct the Open Transmission Project, including, but not limited to, all required regulatory approvals;

(3) List of all transmission buses within the New
Substation Facility, including nominal operating voltage level in kV and voltage characteristics;

(4) List of all major equipment and facilities within the New Substation Facility and associated terminating buses including power transformers, voltage regulators, phase angle regulators, series reactors, series capacitors, shunt reactors, shunt capacitors, static VAR compensators, DC converters, transmission line circuit terminals, generator terminals, and loads;

(5) Limitations on and/or requirements for bus configurations when determined applicable by planning studies performed by the Transmission Provider including required load ratings of circuit breakers, disconnects, bus sections and other load carrying equipment under alternative bus configurations;

(6) Required load ratings for all load carrying equipment and facilities identified in item (4) above;

(7) Winding connection and tap requirements for power transformers, voltage regulators, phase angle regulators and load tap changers when determined
necessary by planning studies performed by the Transmission Provider;

(8) Impedance requirements for power transformers, phase angle regulators, series reactors and series capacitors when determined necessary by planning studies performed by the Transmission Provider; and

(9) Limitations on and/or requirements for protection systems when determined applicable by a planning driver or Applicable Reliability Standard or in order to ensure a compatible interconnection with existing protection systems associated with existing transmission facilities to which the New Transmission Facilities will interconnect.

d. **Other Requirements of Transmission Proposal Requests.** The Transmission Provider reserves the right to specify in Transmission Proposal Requests, if deemed necessary and/or appropriate, additional information for any specific New Transmission Line Facilities and/or New Substation Facilities.

Transmission Proposal Request must submit all data required by the Transmission Proposal Request, including, but not limited to:

a. A detailed project implementation schedule for each New Transmission Facility, driven by the required in-service date, which must include proposed schedules for route and site evaluation, regulatory permitting, land acquisition, engineering and design, land surveying, material procurement, construction, and commissioning for all New Transmission Facilities;

b. Cost estimate data for each proposed New Transmission Line Facility and/or New Substation Facility;

c. Reasonably descriptive facility design proposals for each New Substation Facility and/or New Transmission Line Facility included in the Open Transmission Project;

d. Documentation of project implementation capabilities relative to the applicable locations and jurisdictions where the New Transmission Facilities will be constructed;

e. Documentation of operations, maintenance, repair, and replacement capabilities relative to the applicable locations and jurisdictions where the New Transmission Facilities will be constructed; and

f. Modeling data files for all proposed New Transmission Line Facilities and/or New Substation Facilities included in the Open Transmission Project.

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4. **Cost Estimates.** Proposed cost estimate data must be based on the reasonably
descriptive facility design proposals submitted in the New Transmission Proposal
and will include, at a minimum:

   a) Estimated project cost for each proposed New Transmission Line Facility
      and/or New Substation Facility; and
   
   b) Estimated annual revenue requirements for the first 40 years the facilities
      included in the New Transmission Proposal will be in service in
      accordance with Attachment MM of the Tariff for Multi Value Projects
      and Attachment GG of the Tariff for Market Efficiency Projects, including
      the supporting detail on the annual allocation factors for operations and
      maintenance, general and common depreciation expense, taxes other than
      income taxes, income taxes, and return used to estimate the annual
      revenue requirements.

5. **Reasonably Descriptive Facility Design Proposals.** Reasonably descriptive
facility design proposals must be submitted for each New Transmission Line
Facility and/or New Substation Facility included in the Open Transmission
Project. Reasonably descriptive facility design proposals represent descriptions of
the core attributes and features of a design, not the detailed engineering and
design calculations and documents.

   a. **Reasonably Descriptive Facility Design Proposals for New
      Transmission Facilities.** For each New Transmission Line Facility,
reasonably descriptive facility design proposals must include, at a minimum:

(1) Estimated length of New Transmission Line Facility in miles and basis for estimate;

(2) Proposed conductor type, size, and, if applicable, bundling configuration;

(3) Proposed default or typical structure design attribute(s) (e.g., steel vs. wood vs. aluminum vs. concrete, monopole vs. H-frame vs. lattice, single circuit vs. double circuit, self-supporting vs. guyed, structural calculation assumptions, etc.) to be used for tangent, running angle, in-line dead-end, and angle dead-end structures when feasible and/or for the majority of the New Transmission Line Facility;

(4) Estimated positive sequence line impedance and pi-equivalent shunt susceptance;

(5) Calculated normal and emergency seasonal thermal loading ratings, including basis for calculations;

(6) Proposed type of lightning protection system to be used when feasible and/or for the majority of the New Transmission Line Facility (e.g., shield wires vs. surge arresters, etc.) and key attributes (e.g., shielding angle, arrester location and type, etc.);
(7) Proposed grounding method to be used when feasible and/or for
the majority of the New Transmission Line Facility (e.g., ground
rods only, counterpoise, etc.) and key attributes (e.g., targeted
structure footing grounding resistance, etc.);

(8) Proposed method to address or mitigate adverse impacts of
galloping conductors and/or Aeolian vibration, if any (e.g.,
Stockbridge dampers, special conductors, etc.);

(9) Continuous rating of any load carrying switchgear installed on the
New Transmission Line Facility; and

(10) Assumed communications systems to be used for the New
Transmission Line Facility to facilitate protective relaying (e.g.,
fiber optic, power line carrier, microwave, etc.).

b. **Reasonably Descriptive Facility Design Proposals for New Substation
Facilities.** For New Substation Facilities, reasonably descriptive facility
design proposals must include, at a minimum:

(1) Detailed one-line diagram;

(2) Proposed protection systems including protection schemes, any
anticipated interaction with existing/other facilities and
conceptual protection system design (including backup
protection systems, if applicable). Remote system monitoring
capability shall be described with major features listed
(redundancy, monitored parameters, etc.);
(3) Detailed specifications for proposed power transformers;

(4) Description of other substation equipment items, including load ratings, voltage ratings, fault interrupting ratings, tap data, and impedances as applicable, where other substation equipment includes, but is not limited to, bus sections, circuit breakers, circuit switchers, switches, disconnects, regulating transformers, station service transformers, series and shunt capacitors, series and shunt reactors, static VAR compensators, DC conversion equipment, instrument transformers (metering and relaying), wave traps, and surge arresters;

(5) Proposed line terminal ratings and basis for calculation, including limiting element;

(6) Basis for load rating calculations on any equipment where nameplate continuous ratings are not used; and

(7) Description of the communication system for remote monitoring, control and data acquisition facilities, including monitoring and control points.

Any specific Transmission Proposal Request may require submission of additional facility design data when deemed necessary by the Transmission Provider. Any New Transmission Proposal may also include additional facility data, including but not limited to, optional facility design data.
listed in the Business Practices Manual for Transmission Planning, which may be considered by the Transmission Provider in the evaluation and selection of New Transmission Proposals.

6. **Project Implementation Capabilities Relative to Specific Open Transmission Project.** Documentation of project implementation capabilities required in a New Transmission Proposal must include a description of existing and/or planned/proposed capabilities to be used by the New Transmission Proposal Applicant to perform the following tasks in the locations and jurisdictions where the New Transmission Facilities associated with the Open Transmission Project are to be located:

   a) Project management;
   
   b) Routing evaluation studies for New Transmission Line Facilities, if applicable;
   
   c) Site evaluation studies for New Substation Facilities, if applicable;
   
   d) Regulatory permitting;
   
   e) Right-of-way acquisition for New Transmission Line Facilities, if applicable;
   
   f) Land acquisition for New Substation Facilities, if applicable;
   
   g) Engineering and surveying required for New Transmission Line Facilities and/or New Substation Facilities;
h) Material procurement for New Transmission Line Facilities and/or New Substation Facilities;

i) Construction of New Transmission Line Facilities and/or New Substation Facilities; and

j) Commissioning of New Transmission Line Facilities and/or New Substation Facilities.

Any specific Transmission Proposal Request may require submission of additional data related to the policies, processes, methods, capabilities, experience, and past performance of New Transmission Proposal Applicants regarding project implementation when deemed necessary by the Transmission Provider.

Any New Transmission Proposal may also include additional information regarding project implementation capabilities, including but not limited to, existing capabilities and past experience regarding project implementation, which may be considered by the Transmission Provider in the evaluation and selection of New Transmission Proposals.

7. Operations, Maintenance, Repair, and Replacement Capabilities.

Documentation of operations, maintenance, repair, and replacement capabilities required in a New Transmission Proposal must include a description of existing capabilities and/or planned/proposed capabilities to be used by the New Transmission Proposal Applicant, and documented processes and methods to be
used by the New Transmission Proposal Applicant to perform the following tasks in the locations and jurisdictions where the New Transmission Facilities associated with the Open Transmission Project are to be located:

a) Forced outage response for transmission line circuits;

b) Forced outage response for substations;

c) Switching for transmission line circuits;

d) Switching for substations;

e) Transmission line emergency repair;

f) Substation emergency repair and testing;

g) Transmission line preventative and/or predictive maintenance, including vegetation management;

h) Substation preventative and/or predictive maintenance including equipment testing;

i) Maintenance and management of spare parts, spare structures, and/or spare equipment inventories for substations and/or transmission lines, as applicable, including description of any agreements to share spare equipment, spare parts, and/or spare structures with other transmission entities;

j) Real-time operations monitoring and control capabilities, if the Open Transmission Project contains one or more New Substation Facilities; and
k) Major facility replacements or rebuilds required as a result of catastrophic destruction or natural aging through normal wear and tear, including financial strategy to facilitate timely replacements and/or rebuilds.

Any specific Transmission Proposal Request may require submission of additional data related to the policies, processes, methods, capabilities, experience, and past performance of entities regarding operations, maintenance, repair, and replacement when deemed necessary by the Transmission Provider.

Additional information regarding operations, maintenance, repair, and replacement capabilities may also be included in any New Transmission Proposal, including but not limited to, existing capabilities and past experience regarding operations, maintenance, repair and replacement, which may be considered by the Transmission Provider in the evaluation and selection of New Transmission Proposals.


While not required, should a New Transmission Proposal Applicant participate in the Transmission Provider planning process and desire to have such participation considered in the evaluation as described in Section VIII.G of this Attachment FF, the New Transmission Proposal Applicant should include in its New Transmission Proposal documentation regarding relevant planning studies performed by the New Transmission Proposal Applicant and results supplied to the Transmission Provider planning process, as well as documentation on past...
transmission project ideas submitted by the New Transmission Proposal Applicant to the Transmission Provider to address the same Transmission Issues being addressed by the Open Transmission Project for which the New Transmission Proposal is being submitted.

9. **Modeling Data.** Modeling data files submitted with the New Transmission Proposal must meet the requirements outlined in the Business Practices Manual for Transmission Planning, including, at a minimum, data files necessary:

   I. To model New Transmission Line Facilities and/or New Substation Facilities in power flow and short-circuit models and

   II. To model new contingencies associated with New Transmission Lines Facilities and/or New Substation Facilities.

10. **Period for Submission of New Transmission Proposals.** New Transmission Proposals must be submitted within 180 calendar days from the date the Transmission Proposal Request is posted, or within the time period specified in the Transmission Proposal Request, whichever comes first. If the due date falls on a federal holiday, Saturday, or Sunday, the New Transmission Proposals will be due on the next business day. Two copies of the New Transmission Proposal in hard copy form must be delivered to the address specified in the Transmission Proposal Request no later than 5:00 PM EPT on the due date and one electronic copy of the New Transmission Proposal must be e-mailed to the e-mail address

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specified in the Transmission Proposal Request no later than 5:00 PM EPT on the
due date. Any inquiries by New Transmission Proposal Applicants regarding a
Transmission Proposal Request prior to submission of a New Transmission
Proposal should be made directly with the contacts listed in the Transmission
Proposal Request and not to the interconnecting incumbent Transmission Owners.

11. Additional Data Requests. If, during the evaluation of New Transmission
Proposals, the Transmission Provider determines that additional information is
required to evaluate the New Transmission Proposals, the Transmission Provider
will request, in writing, the additional data from all New Transmission Proposal
Applicants, along with the timeframe that this data must be submitted within. If
the additional data is not submitted within the specified timeframe, the New
Transmission Proposal will not be evaluated or considered further. This
timeframe will not be less than ten (10) business days from when the
Transmission Provider issues the additional data request. This data request will
not extend the evaluation timeframe defined in Section VIII.E.

12. Confidential Treatment of New Transmission Proposals. All information
submitted with the New Transmission Proposal will be considered Confidential
Information and will not be publicly posted or shared with any individual except
employees of the Transmission Provider and/or contractors of the Transmission
Provider that have executed an appropriate non-disclosure agreement.

D. Cure Period. Immediately after the date New Transmission Proposals are
due, the Transmission Provider will review each New Transmission Proposal to ensure the
New Transmission Proposal Applicants are Qualified Transmission Developers and that all data requirements have been satisfied by each respective New Transmission Proposal Applicant. Should a New Transmission Proposal fail to satisfy one or more of the data requirements specified in this Tariff and/or in the Transmission Proposal Request, the Transmission Provider will, within ten (10) business days, via e-mail notify the submitting New Transmission Proposal Applicant, through the contact person designated in the New Transmission Proposal, of any deficiency. The New Transmission Proposal Applicant will have a single Cure Period of ten (10) business days from this notice to revise and resubmit the New Transmission Proposal to address the deficiency, except that if the New Transmission Proposal Applicant is not a Qualified Transmission Developer on the date the Transmission Proposal Request was posted, or ceases to be a Qualified Transmission Developer after the date the Transmission Proposal Request was posted, the New Transmission Proposal will not be evaluated or considered further. If a revised New Transmission Proposal is submitted after the Cure Period has elapsed, or continues to have one or more deficiencies with regard to qualifications or data requirements, the New Transmission Proposal will not be evaluated or considered further. The Transmission Provider will provide a written explanation identifying why the New Transmission Proposal has been disqualified.

E. Evaluation

1. **Steps of Evaluation and Selection Process.** Upon receipt of all New Transmission Proposals, sufficient in form and substance, by the due date specified in the Transmission Proposal Request, and upon completion of
the process outlined in Section VIII.D of this Attachment FF, the Transmission Provider will:

a) Evaluate each New Transmission Proposal submitted by a Qualified Transmission Developer;

b) Select one of the New Transmission Proposals for implementation based on application of the evaluation criteria below; and

c) Post the name of the Selected Transmission Developer on its website within 180 calendar days of the due date for the submission of New Transmission Proposals.

2. **General Criteria.** In evaluating each New Transmission Proposal, the Transmission Provider will consider the following general aspects of the proposal:

a) Cost and reasonably descriptive facility design quality;

b) Project implementation capabilities;

c) Operations, maintenance, repair, and replacement capabilities; and

d) Transmission Provider planning process participation.

3. **Cost and Reasonably Descriptive Facility Design.** When considering cost and reasonably descriptive facility design quality, the Transmission Provider shall evaluate, at a minimum:

1. Estimated project cost for each proposed New Transmission Line Facility and/or New Substation Facility;
2. Estimated annual revenue requirements for all New Transmission Facilities included in the New Transmission Proposal;

3. Description of capital resources available to fund project costs as they arise;

4. Cost estimate rigor, which shall include financial assumptions and supporting information to clearly demonstrate a thorough analysis in support of the cost estimate;

5. Reasonably descriptive facility design quality; and

6. Reasonably descriptive facility design rigor, which shall include facility studies performed and other specific supporting data that clearly documents and supports consideration and attention given to the proposed reasonably descriptive facility designs.

4. **Project Implementation Capabilities.** When considering project implementation capabilities, the Transmission Provider shall evaluate, at a minimum, existing or planned capabilities, competencies, and processes regarding the following project implementation categories relative to the locations and jurisdictions where the New Transmission Facilities associated with the Open Transmission Project are to be located as well as the strength of the project implementation capabilities, including financial measures, demonstrated in the prequalification process to qualify the New Transmission Proposal Applicant as a Qualified Transmission Developer:

   a) Project management;
b) Route and site evaluation;

c) Land acquisition;

d) Engineering and surveying;

e) Material procurement;

f) Facility construction;

g) Final facility commissioning; and

h) Previous applicable experience and demonstrated ability.

5. **Operations, Maintenance, Repair, and Replacement Capabilities.**

When considering operations, maintenance, repair and replacement capabilities, the Transmission Provider shall evaluate, at a minimum, existing or planned capabilities, competencies, and processes regarding the following operations and maintenance categories relative to the locations and jurisdictions where the New Transmission Facilities associated with the Open Transmission Project are to be located as well as the strength of the operation and maintenance capabilities demonstrated in the prequalification process to qualify the New Transmission Proposal Applicant as a Qualified Transmission Developer, as applicable, based on the types of facilities included in the Transmission Proposal Request:

a. Forced outage response;

b. Switching;

c. Emergency repair and testing;

d. Spare parts;
e. Preventative and/or predictive maintenance and testing;
f. Real-time operations monitoring and control; and
g. Major facility replacement capabilities, including ongoing financial capabilities to restore facilities after catastrophic outages.

6. **Transmission Provider Planning Process Participation.** When considering transmission provider planning process participation, the Transmission Provider will consider relevant planning studies conducted by the Qualified Transmission Developer and the associated results supplied to the Transmission Provider planning process, as well as transmission project ideas submitted in the past by the Qualified Transmission Developer as potential solutions to address the same Transmission Issues addressed by the Open Transmission Project.

7. **General Criteria Weighting.** In evaluating each New Transmission Proposal, the Transmission Provider will apply the following weighting to each New Transmission Facility criteria evaluated:

   a) **New Transmission Line Facilities.** The following weights will be applied to New Transmission Line Facility criteria:

      a. Cost and reasonably descriptive facility design quality: 
         
         30%

      b. Project implementation capabilities: 35%

      c. Operations, maintenance, repair, and replacement capabilities: 30%
d. Transmission Provider planning process participations: 5%

b) **New Substation Facilities.** The following weights will be applied to New Substation Facility criteria:

a. Cost and reasonably descriptive facility design quality: 30%

b. Project implementation capabilities: 30%

c. Operations, maintenance, repair, and replacement capabilities: 35%

d. Transmission Provider planning process participations: 5%

8. **Evaluation and Selection.** Specific methods used to evaluate various aspects of a New Transmission Proposal shall be described in the Business Practices Manual for Transmission Planning. This evaluation will be conducted by Transmission Provider planning staff and/or independent consultants competent in the areas of finance, transmission facility design, transmission project implementation, and transmission operations, maintenance, repair, and replacement. The Transmission Provider planning staff, and any independent consultants, will be overseen by the Executive Oversight Committee, which will have exclusive and final authority to determine Selected Transmission Developers. Within thirty (30) calendar days of the designation of the Selected Transmission Developer, the Transmission Provider will provide a report in which it explains the basis for designating the Selected Transmission Developer for...
each Open Transmission Project. The Transmission Provider will include in this report a date(s) by which state approval(s) to construct must be achieved based upon when construction must begin to timely meet the Transmission Issue to be addressed by the Open Transmission Project(s) and taking into account the project implementation schedule(s) provided by the Selected Transmission Developer in its New Transmission Proposal. Any disputes regarding the developer selection will be referred to the Dispute Resolution Process under Attachment HH of this Tariff.

The Selected Transmission Developer will assume the responsibility and obligation to construct the facilities it is selected to construct. If the Selected Transmission Developer is financially incapable of carrying out its construction responsibilities, alternate construction arrangements shall be identified. Depending on the specific circumstances, such alternate arrangements shall include solicitation of Transmission Owners to take on financial and/or construction responsibilities. If the delay in construction may adversely affect the Transmission System reliability, the Transmission Provider shall coordinate with and support the affected Transmission Owner(s) regarding any mitigation measures that may be required by Applicable Reliability Standards.

However, in the event that an MTEP Appendix A Open Transmission Project approved by the Transmission Provider Board or selection of the designated Selected Transmission Developer to construct the approved
project is being challenged through the Dispute Resolution process under Attachment HH of this Tariff or a court proceeding, the obligation of the Selected Transmission Developer to build the specific Open Transmission Project (subject to required approvals) is waived until the Open Transmission Project or Selected Transmission Developer emerges from the Dispute Resolution process or court proceedings as an approved project with a Selected Transmission Developer designated to construct, implement, own, operate, maintain, repair, restore, and/or finance the recommended Open Transmission Project.

9. **Recourse if No New Transmission Proposals are Received or Selected.** The Transmission Provider may decline to accept any or all New Transmission Proposals that do not meet the Tariff’s requirements for the project classification in question or will not sufficiently address the Transmission Issue(s) the Transmission Proposal Request was intended to address. If no New Transmission Proposals are received from Qualified Transmission Developers or selected by the Transmission Provider, the Open Transmission Project will be assigned to the applicable Transmission Owner(s), as defined below:

1. **Ownership and the responsibility to construct facilities which are connected to a single Transmission Owner’s system belong to that Transmission Owner;**
(2) Ownership and the responsibilities to construct facilities which are
connected between two (2) or more Transmission Owners’ facilities
belong equally to each Transmission Owner, unless such Transmission
Owners otherwise agree; and

(3) Ownership and the responsibility to construct facilities which are
connected between a Transmission Owner(s)’ system and a system or
systems that are not part of the Transmission Provider belong to such
Transmission Owner(s) unless the Transmission Owner(s) and the non-
Transmission Provider party or parties otherwise agree.

IX. Reevaluation. After Transmission Provider Board MTEP Appendix A approval, certain
circumstances or events may significantly affect such an Open Transmission Project in a manner
and to a degree that would require the Transmission Provider to perform Variance Analysis.
Such circumstances or events may include, but are not limited to: material schedule delays, cost
increases, or changes to the Selected Transmission Developer’s qualifications, as compared to
the schedule, cost estimates, and qualifications represented in the New Transmission Project
Proposal and/or MTEP Appendix A, as applicable. The Variance Analysis shall consider, among
other things: (i) causes of, or reasons for, any such circumstance or event; (ii) impacts, including
potential reliability impacts of a delay in the Open Transmission Project, canceling the Open
Transmission Project, or replacing the Selected Transmission Developer; (iii) mitigation
measures and responsibilities; and (iv) solutions, and the timetable for the implementation of
such solutions. This process will begin at assignment of an Open Transmission Project and end
when construction begins.
a. **Grounds for Variance Analysis**

The following factors shall trigger the Transmission Provider’s Variance Analysis for an Open Transmission Project. The Variance Analysis will focus on the materiality of the changes identified and determine the need for full reevaluation.

1. **Cost Increases**

   Any project cost increase which reduces the benefit-cost ratio of an economically-driven Open Transmission Project to less than the required benefit-to-cost threshold, as defined in Section II.B.1.e or Section II.C.7 of this Attachment FF of the Tariff.

2. **Schedule Delays**

   A reported or otherwise identified delay of 6 months or more from the in-service date established in MTEP Appendix A and agreed upon in the accepted New Transmission Proposal and Binding Proposal Agreement of any assigned Open Transmission Project. This analysis may also be based upon failure to obtain necessary regulatory approvals; failure to execute necessary agreements; or failure to take the actions described in the Selected Transmission Developer’s accepted New Transmission Proposal.

3. **Deviation From Selected Transmission Developer Qualifications**

   Material changes in the condition and characteristics of the Selected Transmission Developer, as described in its accepted New Transmission Proposal.

   Material changes in this subsection may include, but are not limited to,
any delegation or assignment not described in the New Transmission Proposal of project responsibilities to another entity, including affiliates, or a partner that is either previously undisclosed, or disclosed but assigned to or designated for different responsibilities or failure to conform to the terms described in the Selected Transmission Developer’s accepted New Transmission Proposal.

b. **Project Reevaluation**

If required by the results of the above-described additional analysis, the Transmission Provider shall perform a reevaluation of the Open Transmission Project and/or Selected Transmission Developer, including, but not limited to:

1. **Cost Increases**

   As applicable and necessary based upon the Variance Analysis, the Transmission Provider shall use the Open Transmission Project’s current cost estimate to perform an analysis and determine if said Open Transmission Project’s currently estimated benefit is sufficient to justify its continued construction.

2. **Schedule Delays**

   As necessary based upon the Variance Analysis, the Transmission Provider shall perform an analysis to determine if the delay in the achievement of any significant schedule milestone(s) (including, but not limited to, failure to obtain necessary regulatory approvals) will delay the applicable Open Transmission Project’s in-service date, and if so, whether
such delay poses risks of adverse impacts on Transmission System reliability, and what mitigation measures and plan should be implemented.

3. **Deviation From Selected Transmission Developer Qualifications**

As necessary based upon the Variance Analysis, the Transmission Provider shall perform an analysis to determine if the Selected Transmission Developer remains qualified to construct, implement, operate, maintain, and/or restore the Open Transmission Project.

c. **Reevaluation Outcomes**

Based on all the required analysis described in subparagraphs a and b of this section, the Transmission Provider may decide to (i) make no change to the Open Transmission Project; (ii) reassign the Open Transmission Project to a different Qualified Transmission Developer; (iii) cancel the Open Transmission Project; (iv) implement a reliability mitigation plan, in coordination with the affected Transmission Owner(s); or (v) such other remedy or solution as may be appropriate under the circumstances, including a suitable combination of two or more of the foregoing courses of action.

1. **Reassignment**

If a Selected Transmission Developer is found to no longer be a Qualified Transmission Developer, the applicable Open Transmission Project may be reassigned. Open Transmission Projects will be offered to the applicable Transmission Owner, as defined below:

(1) Ownership and the responsibility to construct facilities which are connected to a single Transmission Owner’s system belong to that
Transmission Owner; (2) Ownership and the responsibilities to construct facilities which are connected between two (2) or more Owners’ facilities belong equally to each Transmission Owner, unless such Transmission Owners otherwise agree; and (3) Ownership and the responsibility to construct facilities which are connected between a Transmission Owner(s)’ system and a system or systems that are not part of the Transmission Provider belong to such Transmission Owner(s) unless the Transmission Owner(s) and the non-Transmission Provider party or parties otherwise agree.

If the applicable Transmission Owner(s) decline to construct the Open Transmission Project, it will be reassigned, as applicable, through the developer evaluation process, as described in Section VIII.F.

Any entity that receives the transferred right to develop an Open Transmission Project or any delegation of responsibility not disclosed in the New Transmission Proposal shall be required to (a) meet the same requirements, including the qualification criteria contained within Section VIII of Attachment FF, and (b) assume all responsibilities of the Selected Transmission Developer imposed by

(i) the Tariff, including all attachments and schedules,

(ii) the New Transmission Proposal, and

(iii) any other commitment that relates to the Open Transmission Project made by the Selected Transmission Developer to the
Transmission Provider or a federal, state or local government or agency.

The Transmission Provider may require an entity designated to receive rights or responsibilities transferred from the Selected Transmission Provider to provide information and documentation relating to its qualifications and plans for completing the Open Transmission Project as a condition of receiving the transferred rights or responsibilities.

The Transmission Provider also may require an entity designated to receive rights or responsibilities transferred from the Selected Transmission Provider to execute any written commitment that the Transmission Provider could have required the original Selected Transmission Developer to execute as a precondition or receiving the transferred rights or responsibilities.

2. **Project Cancellation**

   Following reevaluation, the Transmission Provider may cancel economically-driven Open Transmission Projects if (1) cost increases reduce the benefit-cost ratio to the point where the currently estimated cost exceed previously defined benefits; and (2) reliability and/or public policy benefits (if any), are insufficient to justify continuation and completion of the project.

3. **Reliability Mitigation Plan**

   If the Transmission Provider’s analysis determines that Transmission...
System reliability may be adversely affected by the delay of an assigned Open Transmission Project, the Transmission Provider shall coordinate with and support the affected Transmission Owner(s) regarding any mitigation measures that may be required by Applicable Reliability Standards. The mitigation measures may include, without limitation, any one or combination of the following components: i) an updated implementation plan of the Selected Transmission Developer to meet the required in-service date; ii) an operating procedure; or iii) an alternative project to mitigate the reliability violation.

X. Interregional Coordination and Cost Allocation with the Southeastern Regional Transmission Planning Region

The public utility transmission providers in the Southeastern Regional Transmission Planning region (“SERTP”) and the Midcontinent Independent System Operator region (“MISO”) shall undertake the interregional transmission coordination and cost allocation procedures under Section X of this Attachment FF.

Where the regional transmission planning process is referenced as part of this interregional transmission coordination process the applicable regional transmission planning process for the Transmission Provider is described in Attachment FF; and is described for the SERTP in attachment K of the applicable SERTP transmission provider.

A. Interregional Transmission Coordination

1. Annual Meeting: Representatives of the SERTP and staff of the Transmission Provider will meet no less than once per year to facilitate the
interregional coordination procedures described below (as applicable). Representatives of the SERTP and staff of the Transmission Provider may meet more frequently during the evaluation of interregional transmission project(s) proposed for purposes of interregional cost allocation between the SERTP and the Transmission Provider transmission planning regions.

2. **Website Posting of Information on Interregional Coordination:** The Transmission Provider shall utilize the regional planning website for communication of information related to these coordinated interregional transmission planning procedures. The Transmission Provider shall coordinate with the SERTP with respect to the posting of materials to the regional planning website related to the interregional coordination procedures between the SERTP and the Transmission Provider transmission planning regions. The Transmission Provider shall, at a minimum, provide the following on the regional planning website:

   a. Interregional coordination and cost allocation procedures between the SERTP and Transmission Provider;

   b. Links to where stakeholders can register (if applicable/available) for the stakeholder committees or distribution lists of the SERTP;

   c. Documents related to joint evaluation of interregional transmission projects;

   and
d. Status report on interregional transmission projects selected for purposes of interregional cost allocation between the SERTP and the Transmission Provider.

B. Model and Data Exchange

At least annually, the Transmission Provider and the SERTP shall exchange their then-current regional transmission plans including power-flow models and associated data used in the regional transmission planning processes to develop such transmission plan(s). This exchange will occur when such data is available in each of the regional transmission planning processes, typically during the first calendar quarter of each year. Additional transmission-based models and data may be exchanged between the SERTP and the Transmission Provider as necessary and if requested. For purposes of their interregional coordination activities, the Transmission Provider and SERTP will exchange only data and models used in the development of their then-current regional transmission process and plans. This data will be posted on the pertinent regional transmission planning process’ websites, consistent with the posting requirements of the respective regional transmission planning processes, and subject to the applicable treatment of confidential data and Critical Energy Infrastructure Information (CEII). The Transmission Provider shall notify SERTP of such posting.

C. Identification and Joint Evaluation of Proposed Interregional Transmission Projects

1. Identification of Interregional Transmission Projects: At least biennially, the Transmission Provider and the SERTP shall meet to review the respective
regional transmission plans. Such plans include each region’s transmission needs as prescribed by each region’s planning process. This review shall occur on a mutually agreeable timetable, taking into account each region’s regional transmission planning process timeline. If through this review, the Transmission Provider and the SERTP identify a potential interregional transmission project that may be more efficient or cost-effective than regional transmission projects, the Transmission Provider and the SERTP shall jointly evaluate the potential interregional transmission project pursuant to Section X.C.4.

2. **Identification of Interregional Transmission Projects by Stakeholders:**

Stakeholders and transmission developers (pursuant to Section X.D.1) may also propose interregional transmission projects that may be more efficient or cost-effective than regional transmission projects pursuant to the procedures in each region’s regional transmission planning processes.

3. **Identification of Interregional Transmission Projects by Developers:**

Interregional transmission projects proposed for interregional cost allocation purposes (“Interregional CAP”) must be submitted in both the Transmission Provider and the SERTP regional transmission planning processes. The project submittal must satisfy the requirements of Section X.D.1 except for the benefit-to-cost ratio requirements of Section X.D.1.a.ii\(^1\). The submittal must identify the

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\(^1\) A transmission developer is not responsible for determining the benefit-to-cost ratio referenced in Section X.D.1.a.ii in a project submittal. However, an interregional transmission project proposed for Interregional CAP must ultimately satisfy the benefit-to-cost ratio requirements in accordance with the provisions of Section X.D.1.a.ii and X.D.3.
potential transmission project as interregional in scope and identify the Transmission Provider and the SERTP as regions in which the project is proposed to interconnect. The Transmission Provider will verify whether the submittal for the potential interregional transmission project satisfies all applicable requirements. Upon finding that the proposed interregional transmission project satisfies all such applicable requirements, the Transmission Provider will notify the SERTP. Once the potential project has been proposed through the regional transmission planning processes in both regions, and upon both regions so notifying one another that the project is eligible for consideration pursuant to their respective regional transmission planning processes, the Transmission Provider and the SERTP will jointly evaluate the proposed interregional projects pursuant to Sections X.C and X.D.

4. **Evaluation of Interregional Transmission Projects:** The Transmission Provider and the SERTP shall act through their respective regional transmission planning processes in the joint evaluation of potential interregional transmission projects identified pursuant to Sections X.C.1 and X.C.2 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 regional projects. 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 transmission plan(s). The Transmission Provider will
evaluate potential interregional transmission projects consistent with Section I.C.6 and Section II of Attachment FF.

5. **Review of Proposed Interregional Transmission Projects:** Initial coordination activities regarding potential interregional transmission projects will typically begin during the third quarter of each calendar year. The Transmission Provider and the SERTP will exchange status updates regarding interregional transmission projects that are newly proposed or that are currently under consideration as needed. These status updates will generally include, if applicable: (i) an update of the region’s evaluation of the proposal(s); (ii) the latest calculation of benefits (as identified pursuant to Section X.D.2); and (iii) the anticipated timeline for future assessments.

6. **Coordination of Assumptions Used in Joint Evaluation:** The Transmission Provider and the SERTP will coordinate assumptions and data used in joint evaluations, as necessary, including items such as:

   1. Expected timelines and milestones associated with the joint evaluation;
   2. Study assumptions;
   3. Models; and
   4. benefit calculations (as identified pursuant to Section X.D.2).

D. **Interregional Cost Allocation:** If an interregional transmission project is proposed for Interregional CAP in the SERTP and the Transmission Provider
transmission planning regions, then the following cost allocation and benefits calculations, as identified pursuant to Section X.D.2, shall apply to the project:

1. **Interregional Transmission Projects Proposed for Interregional Cost Allocation Purposes:**

   a. For a transmission project to be eligible for Interregional CAP within the SERTP and the Transmission Provider, the project must:
      
      i. Interconnect to transmission facilities in both the SERTP and Transmission Provider regions. The facilities to which the project is proposed to interconnect may be either existing facilities or transmission projects included in the regional transmission plan that are currently under development.
      
      ii. Have a combined benefit-to-cost ratio of 1.25 or higher to the SERTP and Transmission Provider regions, as calculated in Section X.D.3; and
      
      iii. Meet the threshold and qualification criteria for transmission projects potentially eligible to be included in the respective regional transmission plans for purposes of cost allocation in the Transmission Provider and the SERTP, pursuant to their respective regional transmission planning processes.

   b. On a case-by-case basis, the Transmission Provider and the SERTP may consider an interregional transmission project that does not satisfy all

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2 For the MISO region, “under development” refers to Appendix A projects under development approved by the MISO Board of Directors.
of the criteria specified in this Section X.D.1, but that: (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; and (ii) would be interconnected to transmission facilities in both the SERTP and Transmission Provider regions. The facilities to which the project is proposed to interconnect may be either existing facilities or transmission projects included in the regional transmission plan that are currently under development.

c. The transmission project must be proposed for purposes of cost allocation in both the SERTP and the Transmission Provider. The project submittal must satisfy all criteria specified in the respective regional transmission processes, including the respective timeframes for submittals proposed for cost allocation purposes. If a project is proposed by a transmission developer, the transmission developer must also satisfy the qualification criteria specified by each region.

2. Calculation of Benefits for Interregional Transmission Projects Proposed for Interregional Cost Allocation Purposes: The benefits used to establish the allocation of costs of a transmission project proposed for Interregional CAP between the SERTP and the Transmission Provider shall be determined as follows:

a. Each transmission planning 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 transmission plan and, if so, which projects in the regional transmission plan could be displaced by the proposed project(s).

b. Based upon its evaluation, each region will quantify its benefits based upon the transmission costs that each region is projected to avoid due to its transmission projects being displaced by the proposed interregional transmission project as follows:

i. for the SERTP, the total avoided costs of projects included in the then-current regional transmission plan that would be displaced if the proposed interregional transmission project was included; and

ii. for the Transmission Provider, the total avoided costs of projects included in the then-current regional transmission plan that would be displaced if the proposed interregional transmission project was included.

The benefits calculated pursuant to this Section X.D.2 are not necessarily the same as the benefits used for purposes of regional cost allocation.

3. Calculation of Benefit-to-Cost Ratio for an Interregional Transmission Project Proposed for Interregional CAP:
Prior to any regional benefit-to-cost ratio calculation pursuant to either regional transmission planning process, the combined interregional benefit-to-cost ratio, referenced in Section X.D.1.a, shall be calculated for an interregional transmission project proposed for Interregional CAP. Such calculation shall be performed by dividing the sum of the present value of the avoided project cost determined in accordance with Section X.D.2.b.i for the SERTP region and the present value of avoided project cost determined in accordance with Section X.D.2.b.ii for the Transmission Provider region by the present value of the proposed interregional transmission project’s total project cost. The present values used in the cost calculation shall be based on a common date, comparable cost components, and the latest cost estimates used in the evaluation of the interregional transmission project. The combined interregional benefit-to-cost ratio will be assessed in addition to, not in the place of, the SERTP’s and the Transmission Provider’s respective regional benefit-to-cost ratio assessment(s) (if applicable) as specified in the respective regional processes.

4. **Inclusion in Regional Transmission Plans:** An interregional transmission project proposed for Interregional CAP in the transmission planning regions of the SERTP and the Transmission Provider 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 including any regional benefit-to-cost ratio calculations. 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 benefits determined pursuant to Section X.D.2). 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 transmission project to each region shall be based upon the ratio of the region’s benefits to the sum of the benefits, both as determined pursuant to Section X.D.2, identified for both the SERTP and the Transmission Provider.

b. Each region has obtained all approvals, as prescribed in its regional process, necessary for a project to be included in the regional transmission plan for purposes of regional cost allocation.

5. Allocation of Costs Between the SERTP and the Transmission Provider

Regions: The cost of an interregional transmission project, selected for purposes of cost allocation in the regional transmission plans of both the SERTP and the Transmission Provider, will be allocated as follows:

a. Each region will be allocated a portion of the interregional transmission project’s costs in proportion to such region’s benefit as calculated pursuant
to Section X.D.2 to the sum of the benefits identified for both the SERTP and the Transmission Provider calculated pursuant to Section X.D.2.

i. The benefits used for this determination shall be based upon the benefit calculation most recently performed – pursuant to the method described in Section X.D.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.

6. Milestones of Required Steps Necessary to Maintain Status as Being Selected for Interregional Cost Allocation Purposes: Once selected in the respective regional transmission plans for purposes of cost allocation, the transmission owners in the SERTP planning region that will be allocated costs of the transmission project, the Transmission Provider, and the transmission developer(s) must mutually agree upon an acceptable development schedule including milestones by which the necessary steps to develop and construct the interregional transmission project must occur. These milestones may include (to the extent not already accomplished) obtaining all necessary rights-of-way and requisite environmental, state, and other governmental approvals and executing a mutually-agreed upon contract(s) between the applicable transmission owners in the SERTP planning region, the
Transmission Provider and the transmission developer. If such critical steps are not met by the specified milestones and then afterwards maintained, then the Transmission Provider and the SERTP may remove the transmission project from the selected category in the regional transmission plans for purposes of cost allocation.

7. **Interregional Transmission Project Contractual Arrangements:** The contracts referenced in Section X.D.6 will address terms and conditions associated with the development of the proposed interregional transmission project included in the regional transmission plans for purposes of cost allocation, including but not limited to:

   a. Engineering, procurement, construction, maintenance, and operation of the proposed transmission project, including coordination responsibilities of the parties;

   b. Emergency restoration and repair;

   c. The specific financial terms and specific total amounts to be charged by the transmission developer of the transmission project to each beneficiary, as agreed to by the parties;

   d. Creditworthiness and project security requirements;

   e. Milestone reporting, including schedule of projected expenditures;

   f. Reevaluation of the transmission project; and

   g. Non-performance or abandonment.
8. **Removal from Regional Transmission Plans:** An interregional transmission project may be removed from the SERTP’s or the Transmission Provider’s regional transmission plan(s) for Interregional CAP: (i) if the transmission 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 Transmission Provider shall notify the SERTP if an interregional transmission project or a portion thereof is likely to be, and/or is actually removed from its regional transmission plan.

E. **Transparency**

1. Stakeholders will have an opportunity to provide input and feedback within the respective regional transmission planning processes of the SERTP and the Transmission Provider related to interregional transmission projects 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 SERTP and the Transmission Provider.

2. The Transmission Provider shall use the existing planning stakeholder forums, such as the Planning Advisory Committee and Sub-regional
Planning Meetings, to review with stakeholders the interregional activities
associated with the SERTP.

3. The Transmission Provider will post a list, on the Regional Planning
Website, of interregional transmission projects proposed for purposes of
cost allocation in both the Transmission Provider and the SERTP regions
that are not eligible for consideration because they do not satisfy the
regional project threshold criteria of one or both of the regions as well as
post an explanation of the thresholds the proposed interregional projects
failed to satisfy.
ATTACHMENT FF

TRANSMISSION EXPANSION PLANNING PROTOCOL

I. Transmission Expansion Plan - Purpose and Scope, Definition and Role of OMS

Committee: This Attachment FF describes the process to be used by the Transmission Provider to develop the MISO Transmission Expansion Plan (“MTEP”), subject to review and approval by the Transmission Provider Board. The provisions of this Attachment FF are consistent with the applicable provisions of Appendix B of the ISO Agreement and this Tariff. For purposes of this Attachment FF, all references to Transmission Owner(s) will include ITC(s). The costs incurred by the Transmission Provider in the performance of data collection, analyses and review, and in the development of the MTEP report, costs incurred under Section I.C of this Attachment FF, and costs incurred under Section I.D of this Attachment FF shall be recovered from all Transmission Customers under Schedule 10 of the Tariff.

A. Enrollment Process: The MTEP is developed to facilitate the timely and orderly expansion of and/or modification to the Transmission System to maintain reliability, promote efficiency in bulk power markets and facilitate compliance with applicable Federal and state laws, regulatory mandates and regulatory obligations. Any transmission provider that wishes to enroll in the Transmission Provider planning process for purposes of Order No. 1000 compliance must become a Transmission Owner, by signing the ISO Agreement, and by, within a reasonable period of time: (1) turning over functional control of its transmission facilities to the Transmission Provider; and (2) taking service under this Tariff for all its load that is physically located within the geographic area comprising the Transmission System. All Transmission Owners enrolled in the Transmission Provider’s transmission planning region are listed in either
(1) Attachment FF-4 of this Tariff, for Transmission Owners without a separately filed local planning process or (2) Attachment FF-5 of this Tariff, for Transmission Owners with a separately filed local planning process.

**B. OMS Committee Input to MTEP Process:** To the extent not otherwise specifically addressed in other portions of this Attachment FF, with respect to the MTEP process, the OMS Committee may provide input to the Transmission Provider planning staff and the System Planning Committee of the Transmission Provider Board, as appropriate, regarding the following:

1. At the start of a planning cycle, the OMS Committee may suggest to the Transmission Provider Board modifications to the Transmission Provider’s planning principles and planning objectives for that planning cycle;

2. At the start of a planning cycle, the OMS Committee may suggest additional scope elements in the MTEP;

3. Modeling inputs or assumptions used in the development of the MTEP and related appropriate cost/benefit analyses with respect to certain projects that are not proposed strictly for reliability; and

4. Concerns about general or specific issues with the MTEP process as they arise during the planning year.

Furthermore, at the end of the MTEP development process, but before the MTEP is submitted to the Transmission Provider Board for its review, the OMS Committee may submit a reconsideration request to the Transmission Provider planning staff, which shall respond prior to
submitting the final MTEP report to the Transmission Provider Board. This reconsideration request can be made only with respect to Network Upgrades eligible to receive regional cost allocation under Attachment FF if such projects: (1) will be recommended to the Transmission Provider Board for MTEP Appendix A approval, but have not been considered through the complete MTEP process or (2) will have a change in project cost of twenty-five percent (25%) or greater between the final Subregional Planning Meeting in the current planning year and the project being submitted to the Transmission Provider Board for approval. The Transmission Provider shall consider such a reconsideration request only if it is endorsed by the OMS acting by a vote of sixty-six percent (66%) or more of the OMS members.

At the end of each MTEP cycle, the OMS Committee may submit its assessment of the MTEP process to the Planning Advisory Committee, Transmission Provider, and the System Planning Committee of the Transmission Provider Board. Upon receipt of any such assessment from the OMS Committee, the Transmission Provider planning staff shall provide an appropriate response in a reasonably timely manner.

The manner in which the OMS Committee shall provide its assessment shall be set forth in the Transmission Planning Business Practices Manual procedures. The general procedures adopted with respect to the OMS Committee input into the MTEP shall remain unchanged until June 1, 2015, unless otherwise mutually agreed to by the Transmission Provider and the OMS Committee. Changes to the Transmission Planning Business Practices Manual procedures which describe OMS Committee input into the MTEP process may not be adopted with less than sixty
(60) days’ notice to the OMS Committee unless the OMS Committee consents to such earlier adoption. At the end of the two year period the Transmission Provider, the OMS, and other stakeholders will assess the success of the input procedures and provide suggestions for improvement.

C. **Development of the MTEP:** The Transmission Provider, working in collaboration with representatives of the Transmission Owners, OMS, and the Planning Advisory Committee, shall develop the MTEP, consistent with Good Utility Practice and taking into consideration long-range planning horizons, as appropriate. The Transmission Provider shall develop the MTEP for expected use patterns and analyze the performance of the Transmission System in meeting both reliability needs and the needs of the competitive bulk power market, under a wide variety of contingency conditions. The MTEP will give full consideration to the needs of all Market Participants, will include consideration of demand-side options, and will identify expansions or enhancements needed to i) support competition and efficiency in bulk power markets; ii) comply with Applicable Laws and Regulations; and iii) maintain reliability. This analysis and planning process shall integrate into the development of the MTEP among other things:

(i) the Transmission Issues identified from Facilities Studies carried out in connection with specific transmission service requests; (ii) Transmission Issues associated with generator interconnection service; (iii) the Transmission Issues, including proposed transmission projects, identified by the Transmission Owners in connection with their planning analyses in accordance with local planning process described in Section I.D.1.a to this Attachment FF and the coordination processes of Section I.D.1.b., or developed by
Transmission Owners utilizing their own FERC-approved local transmission planning process described in Section I.D.2, as applicable, to provide reliable power supply to their connected load customers and to expand trading opportunities, better integrate the grid and alleviate congestion; (iv) the transmission planning obligations of a Transmission Owner, imposed by federal or state law(s) or regulatory authorities, which can no longer be performed solely by the Transmission Owner following transfer of functional control of its transmission facilities to the Transmission Provider; (v) plans and analyses developed by the Transmission Provider to provide for a reliable Transmission System and to expand trading opportunities, better integrate the grid and alleviate congestion; (vi) the identification, evaluation, and analysis of expansions to enable the Transmission System to fully support the simultaneous feasibility of all Stage 1A ARRs; (vii) the inputs provided by the Planning Advisory Committee; (viii) the inputs, if any, provided by the state and local regulatory authorities having jurisdiction over any of the Transmission Owners; (ix) the inputs of the OMS Committee; and (x) the transmission needs driven by public policy requirements selected to be included as Transmission Issues pursuant to Section I.C.1.b.ii in accordance with Applicable Laws and Regulations.

1. Planning Cycle and Milestones: The ISO Agreement requires that a regional transmission plan be developed biennially or more frequently. An MTEP planning cycle is established for each calendar year. The development of the MTEP for a planning cycle with a given calendar year designation begins on June 1 of the year prior to the MTEP calendar year designation and ends with the approval of the final MTEP report by the Transmission Provider Board. This approval typically occurs at the

Effective On: February 2, 2016
Transmission Provider Board Meeting in December of the MTEP designated year. For example, the development of the MTEP14 transmission plan will commence on June 1 of 2013 and typically end with approval in December 2014. The development of the MTEP will follow specified process steps that are detailed, including process diagrams, in the Transmission Provider’s Transmission Planning Business Practices Manual ("TPBPM"). The TPBPM shall be posted on the website of the Transmission Provider.

a. Planning Functions: The planning process includes the following functions which are described in detail in the TPBPM:

i. Model Development;

ii. Generator Interconnection Planning;

iii. Transmission Service Planning;

iv. Cyclical Regional Expansion Planning activities;

v. Interregional coordination with neighboring transmission planning regions;

vi. System Support Resource ("SSR") Studies for unit decommissioning;

vii. Transmission-to-Transmission Interconnections;

viii. Load Interconnections; and

ix. Focus Studies. These are studies initiated during the cyclical baseline planning process that cannot be delayed until the next planning cycle (for example, NERC/FERC directives, or near-term critical operational issues).
Each of these planning functions may develop system expansions that are taken into consideration in developing the entirety of the MTEP.

b. Planning Cycle: The regional planning process is performed through a continuous series of planning cycles, with each cycle typically addressing Transmission Issues through a rolling planning horizon. Each cycle commences with regional model development, identification of potential expansions from the local planning processes of the Transmission Owners, identification and selection of transmission needs driven by public policy requirements pursuant to Section I.C.1.b.ii to be included as Transmission Issues, and identification by stakeholders or the Transmission Provider of potential expansions that address the Transmission Issues. Each cycle concludes with recommendations to the Transmission Provider Board of recommended solutions to the Transmission Issues evaluated. Transmission Owner plans developed through local planning processes described in Section I.D.1.a are included in the beginning of each regional planning cycle as potential alternatives to local Transmission Issues identified by the Transmission Owners.

i. Key Planning Cycle Milestones: The regional planning process evaluates, with stakeholder input throughout the cycle, the local plans of the Transmission Owners, as one input to the development of the regional plan. Key milestones in the typical MTEP development process are listed below and requirements and timelines for data submittal, review, and comment at each of these milestone points are described in the TPBPM:

(a). Model development;
(b) Identification and selection of transmission needs driven by public policy requirements pursuant to Section I.C.1.b.ii to be included as Transmission Issues;

(c) Testing models against applicable planning criteria;

(d) Development of possible solutions to identified Transmission Issues;

(e) Selection of preferred solution;

(f) Determination of funding and cost responsibility; and

(g) Monitoring progress on solution implementation.

ii. Transmission needs driven by public policy requirements: The process for selecting transmission needs driven by public policy requirements, out of the larger set of transmission needs driven by public policy requirements that stakeholders may propose, to be included in the Transmission Issue(s) for which transmission solutions will be evaluated shall be as follows:

a. At the beginning of the MTEP cycle, stakeholders submit to the Transmission Provider, proposals to consider transmission needs driven by public policy requirements, as part of the Transmission Issues they may raise, in accordance with Section I.C.2.b, through Sub-Regional Planning Meetings, the Planning Subcommittee and/or the Planning Advisory Committee. The Transmission Provider may also identify transmission needs driven by
public policy requirements to be evaluated.

b. The Transmission Provider will then consolidate all such identified transmission needs driven by public policy requirements that it receives into a list that will be distributed to stakeholders through the Planning Subcommittee and/or the Planning Advisory Committee and to other stakeholder forums as the Transmission Provider deems necessary.

c. Transmission needs driven by public policy requirements will be discussed in the Sub-Regional Planning Meetings, Planning Subcommittee and/or the Planning Advisory Committee in accordance with Section I.C.2.b.

d. The Transmission Provider will assess such identified transmission needs driven by public policy requirements that it receives, considering the feedback received from stakeholders and the Sub-Regional Planning Meetings, Planning Subcommittee and/or the Planning Advisory Committee, and select the public policy requirements that will be further studied in the MTEP process. This selection will be based on:

1. the effective dates, nature and magnitude of the public policy requirements in the Applicable Laws.
and Regulations;

2. the immediacy or other estimated timing, and extent, of the potential impact on the identified transmission needs;

3. the availability of the resources, and any limitations thereto, that would be required by consideration of such transmission needs driven by public policy requirements;

4. the relative significance of other Transmission Issues that have been raised for consideration; and

5. other appropriate factors that can aid the prioritization of Transmission Issues to be considered by the regional transmission planning process.

iii. The Transmission Provider shall address each of these milestones throughout the planning cycle through Sub-regional Planning Meetings, Planning Subcommittee and Planning Advisory Committee meetings.

2. Stakeholders Input in Planning Process: The Transmission Provider shall facilitate discussions with its Transmission Customers, Transmission Owners, OMS Committee, and other stakeholders about the Transmission Issues and solutions involving both transferred and non-transferred facilities, as described in Section I.D.1 of this Attachment FF.
These discussions will take place at Sub-regional Planning Meetings and at regularly scheduled meetings of the Transmission Provider’s Planning Subcommittee, at locations provided by the Transmission Provider and with communication capabilities for those participants unable to have in person representation at these meetings. Once the MTEP report for a specific planning cycle has been completed but prior to recommendation to the Transmission Provider Board for approval, the Transmission Provider shall seek feedback on the proposed MTEP, including Network Upgrades recommended for approval, from the Transmission Provider’s stakeholders and the OMS Committee.

a. Planning Advisory Committee (“PAC”): The Planning Advisory Committee is a standing committee reporting to the Transmission Provider’s Advisory Committee, and functions subject to the Stakeholder Governance Guide developed by the Stakeholder Governance Working Group, as approved by the Advisory Committee. The PAC is responsible for addressing planning policy issues of importance to stakeholders and within the responsibilities of the Transmission Provider. The PAC charter is maintained on the Transmission Provider’s website.

b. Planning Subcommittee (“PS”): The Planning Subcommittee is a standing stakeholder-chaired subcommittee of the Planning Advisory Committee, and functions subject to the Stakeholder Governance Guide developed by the Stakeholder Governance Working Group, as approved by the Advisory Committee. Planning Subcommittee membership is open to interested parties,
including, but not limited to: transmission delivery service and interconnection service customers, marketers, developers, Transmission Owners, state and local regulatory authorities, federal regulatory staff, other Market Participants, and all interested parties. The charter for the committee is developed by stakeholders and is maintained on the Transmission Provider’s website. The Transmission Provider will seek guidance from Transmission Owners, state and local regulatory authorities, and other stakeholders through the Planning Subcommittee and/or the Planning Advisory Committee prior to the beginning of each new planning cycle. Guidance will include the scope of planning studies to be undertaken, the development of future scenarios to be modeled and analyzed in long-term planning studies, and the development of suitable models and assumptions to support such studies. The Transmission Provider will also seek guidance from Transmission Owners, state and local regulatory authorities, and other stakeholders through the Planning Subcommittee and/or the Planning Advisory Committee prior to implementing changes or revisions to the scope, models, and assumptions during the planning cycle. The Planning Subcommittee and/or the Planning Advisory Committee may form working groups at the discretion of stakeholders to perform specific tasks supporting the planning processes, such as model development and detail review of study results and draft plan reports.

c. Sub-regional Planning Meetings (“SPMs”): The Transmission Provider shall utilize SPMs to provide opportunity for Transmission Owners, state and local regulatory authorities, and other stakeholders to provide input to the
planning process, and to carry out the tasks of coordinating transmission plans among the Transmission Owners and proposals to address the Transmission Issues identified in the scope of transmission planning studies. Input and planned coordination may occur through the use of existing sub-regional planning groups (“SPGs”) where they exist, or through the establishment of new sub-regional meeting forums. One or more SPMs will be used or established for each of the four regional Planning Sub-regions of the Transmission Provider. Planning Sub-regions shall be defined based upon the Transmission Provider Planning Sub-regions: West, Central, South, and East as defined in Attachment FF-3.

i) SPM Participants: Participants at an SPM will consist of representatives of the Transmission Owners operating within the associated Planning Sub-region that integrate their local planning processes with the regional process, representatives from state and local regulatory authorities, and any other parties interested in or impacted by the planning process. For those Transmission Owners engaged in local planning under their own FERC approved local planning processes, such Transmission Owners shall participate in the SPM in order to coordinate their planning activities.

Neighboring transmission-owning utilities and regulatory participants are eligible and encouraged to participate in the SPM to promote joint planning between the Transmission Provider and neighboring transmission systems.
ii) SPM Guidelines. The Sub-regional Planning Meeting participants shall:

(a) Make recommendations for a coordinated sub-regional Plan, after considering sub-regional and regional needs and alternatives, for the ensuing ten years, for all transmission facilities in the sub-region;

(b) Review and comment on proposed Transmission Owners plans identified in local planning processes described in Section I.D.1.a. of this Attachment FF, for additions and modifications to the sub-regional transmission system, as potential solutions to identify Transmission Issues and review the transmission plans developed by those Transmission Owners that have their own FERC-approved local planning process (described in Section I.D.2) to ensure coordination of the projects set forth in such plans with the potential regional planning solutions developed in the SPM process consistent with the requirements of Appendix B of the Transmission Owners’ Agreement;

(c) Form technical study task forces as required to carry out the sub-regional planning responsibilities;

(d) Encourage non-Transmission Provider member participation to improve understanding by the SPM participants, the Planning Subcommittee, and the Transmission Provider staff of
facility changes outside the Transmission Provider Region to ensure the impact of such changes are considered in the planning studies;

(e) Promote other stakeholder (i.e., environmental agencies, and load and generation developers) involvement in development of the sub-regional plans.

(f) Recommend to the Planning Subcommittee proposed sub-regional plans to be included in the MTEP. In addition, the transmission projects developed by any Transmission Owner or Owners utilizing the provisions of their own FERC-approved local planning process shall be submitted for inclusion in the regional MTEP after being evaluated by the Transmission Provider in the regional evaluation of SPMs in accordance with Appendix B of the Transmission Owners’ Agreement in determining the Transmission Provider’s recommendation for inclusion in the MTEP.

(g) Reflect, as desired, minority opinions to the Transmission Provider or the Planning Subcommittee.

(h) SPM Frequency, Location and Agenda: SPMs should meet at least two times per year or as otherwise provided for in the TPBPM, to provide input in the planning process, review plans and recommend changes, if any, needed to address stakeholder needs and to coordinate proposed plans.
Meetings involving CEII or confidential materials shall be handled under Section I.C.12 of this Attachment FF.

3. Meeting Notifications: Notice shall be provided by way of email distribution lists by the Transmission Provider of all SPMs, Planning Subcommittee, and Planning Advisory Committee meetings. These email distribution lists are established and maintained by the Transmission Provider and it is the responsibility of stakeholders to have registered as described on the Transmission Provider website. Meeting dates, times, locations, and materials will also be posted on the meeting calendar page of the Transmission Provider’s website. Meeting notification guidelines are set forth in the stakeholder developed Stakeholder Governance Guidelines.

4. Other Meeting Schedules: Planning Subcommittee meetings are regularly scheduled meetings that occur no less than bimonthly. Annual meeting schedules and objectives are developed at the December meeting each year for the subsequent year. Planning Advisory Committee meetings are scheduled as per the PAC Charter.

5. Planning Criteria: The Transmission Provider shall evaluate the system to address Transmission Issues in a manner consistent with the ISO Agreement and this Attachment FF. Projects included in the MTEP may be based upon any applicable planning criteria, including accepted NERC reliability standards and reliability standards adopted by Regional Entities, local planning reliability or economic planning criteria of the Transmission Owner, or required by State or local authorities, any economic or other planning criteria or metrics defined in this Attachment FF, and any Applicable Laws and
Regulations. Transmission Owners are required to annually provide updated copies of local planning criteria for posting on the Transmission Provider’s website.

The Transmission Provider will post on its website an explanation of which transmission needs driven by public policy requirements will be evaluated for potential solutions in the local or regional transmission planning process, as well as an explanation of why other suggested potential transmission needs will not be evaluated.

6. Planning Analysis Methods: Planning analyses performed by the Transmission Provider will test the Transmission System under a wide variety of conditions as described in Section II and using standard industry applications to model steady state power flow, angular and voltage stability, short-circuit, and economic parameters, as determined appropriate by the Transmission Provider to be compliant with applicable criteria and this Tariff.

7. Planning Models: The Transmission Provider shall collaborate with Transmission Owners, other transmission providers, Transmission Customers, and other stakeholders to develop appropriate planning models that reflect expected system conditions for the planning horizon. The planning models shall reflect the projected Load growth of existing Network Customers and other transmission service and interconnection commitments. The models shall include any transmission projects identified in Service Agreements or Interconnection Agreements that are entered into in association with requests for transmission delivery service or interconnection service, as determined in Facilities Studies associated with such requests. Load forecasts applied to models will consider the forecast Load of Network Customers reported to the Transmission Provider.

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in accordance with the requirements of Module B and RAR of this Tariff, and the Business Practices Manuals of the Transmission Provider. Models will be posted on an FTP site maintained by the Transmission Provider and accessible to stakeholders with security measures as provided for in the TPBPM. The Transmission Provider will provide an opportunity for stakeholders to review and comment on the posted models before commencing planning studies.

The schedules for such reviews are maintained in the TPBPM. Stakeholders shall be afforded opportunities to provide input on Load projections from Tariff reporting requirements or from Transmission Owner forecasts. After the base line forecast and model are established, the Transmission Provider and/or Transmission Owners may adjust the forecast as necessary on an ad hoc basis throughout the planning year to address customer requests for new Load interconnections arising from on-going dialogue with existing and prospective customers.

8. Planning Assumptions: Each MTEP report shall list in detail the planning assumptions upon which the analyses are based. In general, planning analyses will be based on the following:

a. Planning Horizons: The MTEP will identify Transmission Issues for a minimum planning horizon of five years and a maximum planning horizon of twenty years.

b. Load: Load demand will generally be modeled by the Transmission Provider as the most probable (“50/50”) coincident Load projection for each Transmission Owner’s service territory, for the season under study. Specific
studies may model alternative Load probabilities or peak Load for areas within a Transmission Owner’s service territory as dictated by operational and planning experience and/or local planning criteria, but in any case shall be treated consistently in the planning for native Load and transmission access requests.

c. Generation: Planning models of five years or longer will model generation, taking into consideration applicable planning reserve requirements, that are: (i) existing and expected to be in existence in the planning horizon; (ii) not existing but with executed interconnection agreements; and (iii) additional generation as determined with stakeholder input, as necessary to adequately and efficiently meet demand forecasted through the planning horizon and to facilitate compliance with statutory or regulatory mandates. The Transmission Provider shall apply a scenario analysis to determine alternative future generation portfolio possibilities.

Generation portfolio development for planning model purposes will be developed with input from the Planning Advisory Committee and its subcommittees, working groups, and task forces. Point-To-Point Transmission Service and Network Integration Transmission Service customers will have an opportunity to guide new generation portfolio development that is reflective of customer future resource plans.

d. Demand Response Resources: Planning solutions will be based upon the best available information regarding the expected amount and location of Load that can be effectively and efficiently reduced by demand response or energy
efficiency programs, as well as the amount of behind-the-meter generation that can reliably be expected to produce Energy that could impact planning solutions. The Transmission Provider shall perform and report on sensitivity analyses that indicate the effectiveness of potential demand response as alternative planning solutions, to the extent that appropriate methodology for such analyses is developed with stakeholders and documented in the TPBPM.

e. Topology: Each planning study will use the best known topology based upon the most recently approved MTEP. Planning studies will include all projects approved by the Transmission Provider Board, and shall identify, as appropriate, and as detailed in the TPBPM, any system needs already identified in the most recent approved MTEP.

9. Evaluation of Alternatives: When the planning analyses, based on the foregoing principles, identifies Transmission Issues, the Transmission Provider will consider the inputs from stakeholders derived from the SPM processes, the inputs from the Planning Subcommittee and the Planning Advisory Committee, the plans of any Transmission Owner with its own FERC-approved local planning process, and the MTEP aggregate system analyses against applicable planning criteria, in determining the solutions to be included in the MTEP and recommended to the Transmission Provider Board for implementation.

10. Facility Design: Facility design and system configuration (such as conductor sizes, transformer design, bus configuration, protection schemes) are selected by the Transmission Owner, and must be consistently applied by the Transmission Owner for
comparable system service conditions. Comparable application of system design does not preclude the consideration or selection of advanced or alternative transmission technology. For Competitive Transmission Facilities associated with Competitive Transmission Projects, the Transmission Provider may provide limitations or requirements regarding facility design when necessary due to a planning driver or to ensure compatibility with existing transmission facilities to which the Competitive Transmission Facilities will interconnect as further described in Section VIII.C.2.c of this Attachment FF.

11. Status of Recommended Facilities: The status of all project facilities recommended for implementation in the MTEP shall be reported to the Transmission Provider on a quarterly basis and upon solicitation from the Transmission Provider. Each Selected Developer and Transmission Owner is required to provide such status updates regarding the facilities for which it is responsible to construct to the Transmission Provider as further specified in this Section I.C.11 of Attachment FF of the Tariff and the Business Practices Manuals.

The Transmission Provider shall report on such status to the Transmission Provider Board on a quarterly basis, or as otherwise directed by the Transmission Provider Board. The Transmission shall also publicly post such status in a form consistent with the Business Practices Manuals to the Transmission Provider’s website on a quarterly basis, redacting any CEII and/or confidential information as necessary.
(a) **Status of Eligible Project facilities approved after December 1, 2015:**

Each Selected Developer and incumbent Transmission Owner shall provide quarterly status reports to the Transmission Provider regarding the facilities included in an Eligible Project approved after December 1st, 2015 for which it is responsible to construct until the quarter after all such facilities have been placed into service and transferred to the Transmission Provider’s functional control, or the facilities and/or Project are otherwise reassigned, canceled, or terminated.

Quarterly status reports shall conform to the format set forth in the Business Practices Manuals and include, at a minimum, the following: (i) project schedule, including each facility’s estimated in-service date and any material changes therein; (ii) estimated project costs, including the estimated cost to complete each facility, any binding cost caps or cost containment that were included in the Selected Proposal, any material changes therein as compared to the applicable Baseline Cost Estimate, the total project expenditures to date, and the estimated percentage (%) of project spend as compared to the estimated total cost to complete the facilities; (iii) facility development status (i.e. under construction, in service, completed, or withdrawn); (iv) status of obtaining necessary regulatory and or environmental permits, certificates, or approvals, including meeting necessary licensing requirements; (v) status of land and right-of-way acquisition; (vi) status of design and engineering; (vii) status of any necessary interconnection agreements; (viii) an explanation of the causes of, or reasons for, any material changes to or deviations from the MTEP in-service date, Baseline Cost-
Estimate, and information provided in the last quarterly status report; (ix) an assessment of the impact of any material changes on the project, including the continued ability to meet the MTEP in-service date; and (x) identification of the milestones achieved to date, as described in the Business Practices Manuals.

Within one hundred eighty (180) Calendar Days after the date the Selected Developer or Transmission Owner have placed all of the facilities included in a Eligible Project for which it is responsible to construct into service, including the transfer of functional control to the Transmission Provider, unless the Transmission Provider and Selected Developer or Transmission Owner agree on a different date, shall provide the Transmission Provider with the following:

1. the final costs to construct the facilities;
2. copies of the final “as-built” drawings and specifications of the facilities;
3. copies of any inspection reports performed on the facilities; and
4. geo-spatial information specific to the facilities (i.e. GIS compatible maps, GPS coordinates, etc.)
(b) Additional status requirements for Competitive Transmission Facilities:

In addition to the requirements specified above in Section I.C.11.a of Attachment FF, each Selected Developer shall also include in its status reports the following:
(i) status of any necessary project financing; (ii) the percentage (%) of the total project expenditures to date as compared to the total projected project cost schedule provided in the Selected Proposal; (iii) whether any rate filings associated with the Competitive Transmission Facilities were made during the previous quarter or expected to be made in the upcoming quarter; (iv) any changes in the continuing ability to meet the obligations of the Selected Developer Agreement according to the schedules and milestones agreed to therein; (v) an explanation of the causes of, or reasons for, any changes from the specifications included in the Selected Proposal; and (vi) an assessment of the impact of any such changes on the Competitive Transmission Facilities included in the Competitive Transmission Project.

(c) Status of all other facilities recommended for implementation in the MTEP:

The requirements and obligations set forth in this section I.C.11.c of Attachment FF, shall be applicable to all facilities recommended for implementation in the MTEP except for those facilities that are included in an Eligible Project approved by the Transmission Provider Board after December 1, 2015.
Each incumbent Transmission Owner shall provide status reports to the Transmission Provider regarding the facilities that are included in projects other than those specified in Attachment FF §I.C.11.a for which it is responsible to construct, until the quarter after such facilities have been placed into service and transferred to the Transmission Provider’s functional control. Status reports shall conform to the format set forth in the Business Practices Manuals and at a minimum, include the following: (i) material changes to the schedule and to the estimated project cost; (ii) an explanation of the causes of, or reasons for, any such changes; and (iii) changes in project status (i.e., under construction, in service, completed, or withdrawn). The Transmission Provider shall report such progress to the Transmission Provider Board on a quarterly basis, or as otherwise directed by the Transmission Provider Board.

12. Treatment of Critical Energy Infrastructure Information (“CEII”) and Confidential Data: The Transmission Provider shall utilize a Non-Disclosure and Confidentiality Agreement (“NDA”) to address sharing of CEII transmission planning information. FTP sites containing such information will require such agreements to be executed in order to obtain access to those sites. Stakeholder meetings at which CEII may be available shall be noticed to email distribution lists and shall require execution of NDAs prior to participation in such meetings. In the alternative, such meetings will be structured to have separate discussion of issues involving CEII data only with participants that agree to execute the NDA. Confidential information related to economic (e.g., congestion) studies, as well as CEII, is clearly sensitive information which must remain confidential. The Transmission Provider shall use generic, publicly available, cost information from
industry sources in the economic studies to prevent the accidental release of confidential information. This approach will promote an open planning process because the results of economic studies are available to all interested parties.

13. Resolution of Stakeholder Input: The Transmission Provider shall solicit input and comments from all stakeholders, including Transmission Owners, during and after stakeholder planning meetings, and will use reasonable efforts to reply to comments that the Transmission Provider does not elect to implement, together with reasons for such actions. The Transmission Provider shall develop a process for the documentation and resolution of stakeholder issues raised in the planning process, including but not limited to issues related to planning criteria.

14. Dispute resolution: Consistent with Attachment HH of this Tariff, the Transmission Provider shall resolve disputes concerning MTEP issues. The first step will be for designated representatives of the affected parties to work together to resolve the relevant issues in a manner that is acceptable to all parties. If that step is unsuccessful, each affected party shall designate an officer who shall review disputes involving them that their designated representatives are unable to resolve. The applicable officers of the parties involved in such dispute shall work together to resolve the disputes so referred in a manner that meets the interests of such parties, either until such agreement is reached, or until an impasse is declared by any party to such dispute. If such officers are unable to satisfactorily resolve the issues, the matter shall be referred to mediation. Parties that are not satisfied with the dispute resolution procedures may only file a complaint with the Commission during the negotiation or mediation steps.

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If a matter remains unresolved, the affected parties may pursue arbitration.

D. **Project Coordination:** In the course of the MTEP process, the Transmission Provider shall seek out opportunities to coordinate or consolidate, where possible, individually defined transmission projects into more comprehensive cost-effective developments subject to the limitations imposed by prior commitments and lead-time constraints. The Transmission Provider shall coordinate with Transmission Owners, and shall consider the input from the SPMs, Planning Subcommittee, and Planning Advisory Committee to develop expansion plans to meet the needs of the system. This multi-party collaborative process will allow for all projects with regional and inter-regional impact to be analyzed for their combined effects on the Transmission System. Moreover, this collaborative process is designed to ensure that the MTEP address Transmission Issues within the applicable planning horizon in the most efficient and cost effective manner, while giving consideration to the inputs from all stakeholders. In addition to the requirements of this Attachment FF, there may be state or local procedural requirements applicable to the planning or siting of transmission facilities by the Transmission Owners. A current list of those requirements can be found on the Transmission Provider’s website.

1. **Transmission Owners Electing to Integrate their Local Planning Processes into the Transmission Provider’s Processes:** Some Transmission Owners have agreed to integrate internal planning process with the Transmission Provider’s open and coordinated planning processes for all of their transmission facilities to comply with Order 890 Planning Principles instead of filing a separate Attachment K. Through this election, the local planning for all transmission facilities of these Transmission Owners, regardless of whether the facilities are ultimately transferred to the functional control of the
Transmission Provider, shall be integrated with and included in the regional planning processes of the Transmission Provider. These regional planning processes, as provided for in this Attachment FF and in additional detail in the TPBPM, ensure that the planning decisions for all such facilities are made in an open and transparent environment.

This planning environment provides opportunity for input from, and review by, stakeholders of the Open Access Transmission Tariff services throughout the planning process, and is in accordance with the Planning Principles of the Order 890 Final Rule. The open and transparent planning provisions of this Attachment FF shall not preclude interaction between stakeholders and Transmission Owners prior to the submittal of proposed projects to the regional planning process.

Transmission Owners integrating local planning processes into the regional planning processes are listed in Attachment FF-4. Such Transmission Owners shall be responsible for providing the Transmission Provider with sufficient information regarding all planning activities to enable the Transmission Provider to adequately review and incorporate all of the Transmission Owner’s transmission facilities into the regional planning process of the Transmission Provider, as described in Sections I.D.1.a. and I.D.1.b. of this Attachment FF.

The foregoing Transmission Owners will utilize the planning stakeholder forums of the Transmission Provider to demonstrate the need for, identify the alternatives to, and report the status of non-transferred transmission facilities using the same open, transparent and coordinated planning process provided by the Transmission Provider for transferred facilities as described in this Attachment FF.
a. Local Planning Processes of Transmission Owners: In accordance with the ISO Agreement, each Transmission Owner engages in local system planning in order to carry out its responsibility for meeting its respective transmission needs in collaboration with the Transmission Provider subject to the requirements of applicable state law or regulatory authority. In meeting its responsibilities under the ISO Agreement, the Transmission Owners may, as appropriate, develop and propose plans involving modifications to any of the Transmission Owner’s transmission facilities which are part of the Transmission System. The Transmission Owners shall include the following specific local planning steps in order to develop plans for potential inclusion in the regional plan, in accordance with the annual regional planning process as described in Section I.D.1.b. of this Attachment FF, and in accordance with the regional planning principles of Section I.C of this Attachment. In addition to the local planning steps below, Transmission Owners shall adhere to any applicable state or local regulatory planning processes.

i. Define local study area and study horizon;

ii. Develop appropriate power system models;

   a) Utilize existing NERC or Transmission Provider cases to model external systems;

   b) Insert detailed model of Transmission Owner system if required;

   c) Insert updated detailed models of neighboring system models if required; and

   d) Verify model topology and generation.
iii. Update loads (spatial and magnitude) in study area;
   a) Review historical MW and MVAR data to develop growth trends;
   b) Obtain Load forecasts from customers in study area; and
   c) Obtain input from local distribution planners in the study area.

iv. Perform contingency analysis using applicable Transmission Owner planning criteria;

t. Identify any violations to planning criteria for each of study period;

vi. Develop alternative solutions to the criteria violations and test against the planning criteria;
   a) Obtain cost estimates for each alternative and perform economic analyses; and
   b) Determine non-cost attributes of each alternative such as operating flexibility, robustness, among others.

vii. Select alternative based on cost and non-cost attributes;

viii. Submit proposed solution and list of alternatives and assumptions to the Transmission Provider;

ix. Participate in stakeholder evaluations and discussions as a part of annual regional plan development process;

x. Perform additional analysis as required based on feedback from stakeholder groups (SPM/PS) in the regional planning process;

xi. Submit results of additional analysis (if performed) to the Transmission Provider for further discussion with stakeholders (SPM/PS);
xii. Consider regional planning process results, including stakeholder feedback on needs, proposed solutions, and alternatives, in determining whether or not to proceed with implementation of Transmission Owner proposed expansions; and

xiii. Post the planning criteria and assumptions, and power flow models used in development of each Transmission Owner’s current local planning proposal in accordance with Section I.D.1.b below. To the extent that the Transmission Owner uses the MISO MTEP models in developing its list of newly proposed projects, the Transmission Owner shall indicate as per Section I.D.1.b. below, the associated MTEP model used.

The Transmission Provider will maintain a link to applicable MTEP models on its website together with instructions for accessing such models consistent with CEII criteria and suitable non-disclosure agreements. In the event that the Transmission Owner applies its own power flow models in developing its proposed local plans, the Transmission Owner shall provide such models to the Transmission Provider for posting, or shall provide to the Transmission Provider a link to the location of such Transmission Owner model(s) and to instructions for accessing such models consistent with the Transmission Owner’s CEII and non-disclosure requirements. Transmission Provider shall post on its website links to such postings on Transmission Owner’s website.

b. Integration of Local Planning Processes of Transmission Owners:

Transmission Owners listed on Attachment FF-4 as integrating local planning processes with those of the Transmission Provider, shall integrate proposals for transmission
expansions into the regional planning process as follows. Each Transmission Owner shall submit its proposals for transmission plans to the Transmission Provider prior to the start of each regional planning cycle. Each Transmission Owner’s local plan, which consists of a list of proposed projects, shall be made available on the Transmission Provider’s website for review by the PAC, the PS, and the SPM participants, subject to CEII and the confidentiality provisions in this Attachment FF. Such local plans shall be posted by September 15 each year in order to provide time for written comments by stakeholders. In addition to the list of proposed projects, each Transmission Owner submitting newly proposed projects by September 15 in any MTEP annual cycle shall provide to the Transmission Provider by June 1 of the same year identification of any MISO base power flow model used by the Transmission Owner in support of the identification of the list of proposed projects to be subsequently posted in September, or in the event that the Transmission Owner uses a non-MISO base power flow model in support of the identification of the list of proposed projects the Transmission Owner shall provide to the Transmission Provider such base power flow model or a link to the power flow model and assumptions used.

Each Transmission Owner’s local planning model and associated assumptions shall be accessible on or through a link on the Transmission Provider’s website for review, subject to CEII and the confidentiality provisions in this Attachment FF and consistent with section I.D.1.a. In the event that the Transmission Owner uses a non-MISO base power flow model, the Transmission Owner shall provide for posting updates if there are significant changes in the model by July 15, August 15, and September 15 of
each year. Comments by stakeholders on the local planning models and assumptions that are provided to the Transmission Provider SPM Planning Contact by July 1, or August 1 or September 1 with respect to updates, shall be forwarded to the applicable Transmission Owner by July 8, August 8, or September 8, respectively. The Transmission Provider shall address any unresolved stakeholder issues through the SPM process.

Each Transmission Owner shall also provide to the Transmission Provider by June 1 of each year any updates to the posted transmission planning criteria, or a notification that the posted documents have not changed. In the event a Transmission Owner has additional significant updates to the posted transmission planning criteria, the Transmission Owner shall provide such updates for posting by July 15, August 15, and September 15 of each year.

The Transmission Provider shall post on its website the lists of newly proposed projects, criteria and assumptions, and supporting base power flow models or links to supporting base power flow models, as provided by the Transmission Owners. Initial comments by stakeholders to the proposed projects should be provided to the Transmission Provider SPM Planning Contact 45 days after the posting of local plans otherwise comments may be made pursuant to Section I.C.2.c.ii. The Transmission Provider SPM Planning Contact shall be identified on the Transmission Provider’s web site page devoted to Expansion Planning. The Transmission Provider shall provide to the applicable Transmission Owner within five working days of receipt, a copy of all stakeholder comments received within 45 days of the posted information regarding Transmission Owner planning criteria and assumptions, models applied, and list of
proposed projects. The Transmission Provider shall address any unresolved stakeholder issues through the SPM process. Each Transmission Owner must participate in SPMs in the respective Planning sub-region as indicated in the Transmission Providers meeting schedule. Such SPMs shall provide input to and review of the results of the needs assessments and adequacy of plans proposed by the Transmission Owners, or by stakeholders to the planning process, or by the Transmission Provider, to best meet the needs of the sub-region.

Transmission Owners identified in Attachment FF-4, must submit to the Transmission Provider, on an annual basis and at a time to be determined by the Transmission Provider, which shall be prior to the beginning of each regional planning cycle, all proposed transmission plans for both transferred and non-transferred transmission facilities. The submitted projects of such Transmission Owners shall be considered potential alternatives to system needs identified, and as such must be submitted when initially identified as a potential system solution, in order to permit the evaluation of such projects along with other potential alternatives that may be proposed by stakeholders or the Transmission Provider, in the SPM processes. Such alternatives may include transmission, generation, and demand-side resources. The Transmission Provider will review and evaluate such alternatives on a comparable basis and select the most appropriate solution. Comparability includes the ability of the Transmission Provider to obtain contractual assurances that the selected solution will be implemented by the required in-service dates. Contractual commitments associated with the construction of an MTEP Appendix A approved project by MISO Transmission Owner(s) and/or
Selected Developer(s) are provided for by the ISO Agreement, this Tariff, and the Selected Developer Agreement.

Contractual commitments associated with generation solutions require that a generator interconnection agreement be filed with the Commission pursuant to Attachment X of this Tariff by the time the alternative transmission solution would need to be committed to in order to ensure installation on the required need date. Contractual commitments associated with demand-side resource solutions require demonstration to the Transmission Provider of an executed contract between LSE and End-Use Customers. Such demand-side contracts must be in place by the time that the transmission solution would otherwise need to be committed to in order to ensure a timely solution to the identified planning need, and must span the five year planning horizon to ensure the ability to provide adequate lead time for an alternative transmission solution should the demand contracts terminate. Notwithstanding the provisions of Section VII of the ISO Agreement regarding the Transmission Provider review of Transmission Owner plans, no proposed project of a Transmission Owner that has elected to integrate their local planning processes into the Transmission Provider’s processes, as indicated on Attachment FF-4, shall be recommended in the MTEP for implementation until completion of the annual needs analysis carried out in the annual MTEP cycle, as described in Section I.C. of this Attachment FF, except as provided for in Section I.D.1.c. of this Attachment FF.

c. Out-of-Cycle Review of Transmission Owner Plans: In the event that a Transmission Owner determines that system conditions warrant the urgent development
of system enhancements that would be jeopardized unless the Transmission Provider performs an expedited review of the impacts of the project, Transmission Provider shall use a streamlined approval process for reviewing and approving projects proposed by the Transmission Owners so that decisions will be provided to the Owner within thirty (30) days of the projects submittal to the MISO unless a longer review period is mutually agreed upon.

2. Transmission Owners Filing Separate Attachment K: Some Transmission Owners as listed on the last page of Attachment FF-4 have developed individual open, local planning processes for their facilities, that comply with the Planning Principles of the Order 890 Final Rule. These Transmission Owners have an Attachment K that describes how the Transmission Owner will comply with the Order No. 890 Planning Principles for all transmission facilities that they plan for, regardless of whether those facilities are ultimately transferred to the functional control of the Transmission Provider. With the exception of Sections I.D.1.a and I.D.1.b., the provisions of this Attachment FF remain applicable to all Transmission Owners notwithstanding the filing by any Transmission Owner of an Attachment K pursuant to the Order 890 Final Rule.

E. **Interregional Coordination and Cost Allocation:** The MTEP shall be developed in accordance with the principles of interregional coordination through collaboration with representatives from adjacent transmission providers, their designated regional planning organizations, or regional transmission organizations, as provided for in this Attachment FF, or as otherwise provided for in existing joint agreements between the Transmission Provider and other regional entities that engage in planning activities. The Transmission Provider has developed region-specific interregional coordination and cost allocation provisions with regard to the following neighboring transmission planning regions:
• PJM Interconnection, L.L.C. (“PJM”), as provided for under Article IX and other applicable provisions of the Joint Operating Agreement between the Transmission Provider and PJM, as may be amended from time to time, including revisions the effective date of which is pending Commission approval in Docket No. ER13-1943-000;

• Southeastern Regional Transmission Planning (“SERTP”), as provided for under Section X of this Attachment FF, the effective date of which is pending Commission approval in Docket No. ER13-1923-000; and

• Southwest Power Pool (“SPP”), as provided for under Article IX and other applicable provisions of the Joint Operating Agreement between the Transmission Provider and SPP, as may be amended from time to time, including revisions the effective date of which is pending Commission approval in Docket No. ER13-1938-000;

The Transmission Provider also has planning coordination provisions as part of its coordination agreement with Manitoba Hydro.

The following interregional coordination provisions shall continue to apply with regard to interregional coordination activities between the Transmission Provider and the Mid Continent Area Power Pool (“MAPP”) transmission planning region. Moreover, the following interregional coordination provisions shall remain in effect for interregional coordination activities between the Transmission Provider and the SERTP transmission planning region until the Commission approves and grants an effective date for the SERTP interregional coordination and cost allocation filing pending in Docket No. ER13-1923-000.

1. Initial Contact: The Transmission Provider will initiate a meeting with representatives of adjacent transmission providers, their designated regional planning
organizations, or regional transmission organizations with which existing joint agreements are not already established with the Transmission Provider (“Regional Planning Coordination Entities” or “RPCEs”), in order to establish a Joint Planning Committee.

2. Joint Planning Committee. The Transmission Provider shall offer to form a Joint Planning Committee (“JPC”) with the RPCE. The JPC shall be comprised of representatives of the Transmission Provider and the RPCE in numbers and functions to be identified from time to time. The JPC may combine with or participate in similarly established joint planning committees amongst multiple RPCEs or established under joint agreements to which the Transmission Provider is a signatory, for the purpose of providing for broader and more effective inter-regional planning coordination. The JPC shall have a Chairman. The Chairman shall be responsible for: the scheduling of meetings; the preparation of agendas for meetings; the production of minutes of meetings; and for chairing JPC meetings. The Chairmanship shall rotate amongst the Transmission Provider and the RPCEs on a mutually agreed to schedule, with each party responsible for the Chairmanship for no more than one planning study cycle in succession. The JPC shall coordinate planning of the systems of the Transmission Provider and the RPCEs, including the following:

   a. Coordinate the development of common power system analysis models to perform coordinated system planning studies including power flow analyses and stability analyses. For studies of interconnections in close electrical proximity at the boundaries among the systems of the Transmission Provider and the RPCEs the JPC or its designated
working group will coordinate the performance of a detailed review of the
appropriateness of applicable power system models.

b. Conduct, on a regular basis, a Coordinated Regional Transmission
Planning Study (CRTPS), as set forth in Section E.4.d.

c. Coordinate planning activities under this Section 8, including the
exchange of data and developing necessary report and study protocols.

d. Maintain an Internet site and e-mail or other electronic lists for the
communication of information related to the coordinated planning process. Such sites
and lists may be integrated with those existing for the purpose of communicating the
open and transparent planning processes of the Transmission Provider.

e. Meet at least semi-annually to review and coordinate transmission
planning activities.

f. Establish working groups as necessary to address specific issues, such as
the review and development of the regional plans of the RPCE and the Transmission
Provider, and localized seams issues.

g. Establish a schedule for the rotation of responsibility for data
management, coordination of analysis activities, report preparation, and other activities.

3. Data and Information Exchange. The Transmission Provider shall make available
to each RPCE the following planning data and information. Unless otherwise indicated,
such data and information shall be provided annually. The Transmission Provider shall
provide such data in accordance with the applicable CEII policy, and maintain data and
information received from each RPCE in accordance with their applicable confidentiality policies.

a. Data required for the development of power flow cases, and stability cases, incorporating up to a ten year load forecasts as may be requested, including all critical assumptions that are used in the development of these cases.

b. Fully detailed planning models (up to the next ten (10) years as requested) on an annual basis and updates as necessary to perform coordinated studies that reflect system enhancement changes or other changes.

c. The regional plan documents, any long-term or short-term reliability assessment documents, and any operating assessment reports produced by the Transmission Provider and the RPCE.

d. The status of expansion studies, system impact studies and generation interconnection studies, such that the Transmission Provider and the RPCE have knowledge that a commitment has been made to a system enhancement as a result of any such studies.

e. Transmission system maps for the Transmission Provider and the RPCE bulk transmission systems and lower voltage transmission system maps that are relevant to the coordination of planning between or among the systems.

f. Contingency lists for use in load flow and stability analyses, including lists of all contingency events required by applicable NERC or Regional Entity planning standards, as well as breaker diagrams for the portions of the Transmission Provider and
the RPCE transmission systems that are relevant to the coordination of planning between or among the systems. Breaker diagrams to be provided on an as requested basis.

g. The timing of each planned enhancement, including estimated completion dates, and indications of the likelihood that a system enhancement will be completed and whether the system enhancement should be included in system expansion studies, system impact studies and generation interconnection studies, and as requested the status of related applications for regulatory approval. This information shall be provided at the completion of each planning cycle of the Transmission Provider, and more frequently as necessary to indicate changes in status that may be important to the RPCE system.

h. Quarterly identification of interconnection requests that have been received and any long-term firm transmission services that have been approved, that may impact the operation of the Transmission Provider or the RPCE system.

i. Quarterly, the status of all interconnection requests that have been identified.

j. Information regarding long-term firm transmission services on all interfaces relevant to the coordination of planning between or among the systems.

k. Load flow data initially will be exchanged in PSS/E format. To the extent practical, the maintenance and exchange of power system modeling data will be implemented through databases. When feasible, transmission maps and breaker diagrams will be provided in an electronic format agreed upon by the Transmission Provider and the RPCE. Formats for the exchange of other data will be agreed upon by the Transmission Provider and the RPCE.
4. Coordinated System Planning. The Transmission Provider shall agree to coordinate with the RPCEs studies required to assure the reliable, efficient, and effective operation of the transmission system. Results of such coordinated studies will be included in the Coordinated System Plan. The Transmission Provider shall agree to conduct with the RPCEs such coordinated planning as set forth below:

   a. Single Entity Planning. The Transmission Provider shall engage in such transmission planning activities, including expansion plans, system impact studies, and generator interconnection studies, as necessary to fulfill its obligations under the Tariff. Such planning shall conform to applicable reliability requirements of NERC, applicable regional reliability councils, and any successor organizations thereto. Such planning shall also conform to any and all applicable requirements of Federal or State regulatory authorities. The Transmission Provider will prepare a regional transmission planning report that documents the procedures, methodologies, and business rules utilized in preparing and completing the report. The Transmission Provider shall agree to share the transmission planning reports and assessments with each RPCE, as well as any information that arises in the performance of its individual planning activities as is necessary or appropriate for effective coordination among the Transmission Provider and the RPCEs on an ongoing basis. The Transmission Provider shall provide such information to the RPCEs in accordance with the applicable CEII policy and shall maintain such information received from the RPCEs in accordance with their applicable confidentiality policies.
b. Analysis of Interconnection Requests. In accordance with the procedures under which the Transmission Provider provides interconnection service, the Transmission Provider will agree to coordinate with each RPCE the conduct of any studies required in determining the impact of a request for generator or merchant transmission interconnection. Results of such coordinated studies will be included in the impacts reported to the interconnection customers as appropriate. Coordination of studies shall include the following:

i. When the Transmission Provider receives a request under its interconnection procedures for interconnection, it will determine whether the interconnection potentially impacts the system of a RPCE. In that event, the Transmission Provider will notify the RPCE and convey the information provided in the interconnection queue posting. The Transmission Provider will provide the study agreement to the interconnection customer in accordance with applicable procedures.

ii. If the RPCE determines that it may be materially impacted by an interconnection on the Transmission Provider System, the RPCE may request participation in the applicable interconnection studies. The Transmission Provider will coordinate with the RPCE with respect to the nature of studies to be performed to test the impacts of the interconnection on the RPCE System, and who will perform the studies. The Transmission Provider will strive to minimize the costs associated with the coordinated study process undertaken by agreement with the RPCE.
iii. Any coordinated studies associated with requests for interconnection to the Transmission Provider’s system will be performed in accordance with the study timeline requirements and scope of the applicable generation interconnection procedures of the Transmission Provider.

iv. The RPCE may participate in the coordinated study either by taking responsibility for performance of studies of its system, if deemed reasonable by the Transmission Provider, or by providing input to the studies to be performed by the Transmission Provider. The study cost estimates indicated in the study agreement between the Transmission Provider and the interconnection customer, will reflect the costs, and the associated roles of the study participants including the RPCE. The Transmission Provider will review the cost estimates and scope submitted by all participants for reasonableness, based on expected levels of participation, and responsibilities in the study. If the RPCE agrees to perform any aspects of the study, the RPCE must comply with the timelines and schedule of the Transmission Provider’s interconnection procedures.

v. The Transmission Provider will collect from the interconnection customer the costs incurred by the RPCE associated with the performance of such studies and forward collected amounts, no later than thirty (30) days after receipt thereof, to the RPCE. Upon the reasonable request of the RPCE, the Transmission Provider will make their books and records available to...
the requestor pertaining to such requests for collection and receipt of collected amounts.

vi. The Transmission Provider will report the combined list of any transmission infrastructure improvements on either the RPCE and/or the Transmission Provider’s system required as a result of the proposed interconnection.

vii. Construction and cost responsibility associated with any transmission infrastructure improvements required as a result of the proposed interconnection shall be accomplished under the terms of the applicable OATT, Transmission Service Guidelines, controlling agreements, and consistent with applicable Federal or State regulatory policy and applicable law.

viii. Each transmission provider will maintain separate interconnection queues. The JPC will maintain a composite listing of interconnection requests for all interconnection projects that have been identified as potentially impacting the systems of the Transmission Provider and coordinating RPCEs. The JPC will post this listing on the Internet site maintained for the communication of information related to the coordinated system planning process.

c. Analysis of Long-Term Firm Transmission Service Requests. In accordance with applicable procedures under which the Transmission Provider provides long-term firm transmission service, the Transmission Provider will coordinate the
conduct of any studies required to determine the impact of a request for such service.

Results of such coordinated studies will be included in the impacts reported to the transmission service customers as appropriate. Coordination of studies will include the following:

i. The Transmission Provider will coordinate the calculation of ATC values associated with the service, based on contingencies on their systems that may be impacted by the granting of the service.

ii. When the Transmission Provider receives a request for long-term firm transmission service, it will determine whether the request potentially impacts the system of the RPCE. If the Transmission Provider determines that the RPCE system is potentially impacted, and that the RPCE would not receive a transmission service request to complete the service path, the transmission provider will notify the RPCE and convey the information provided in the posting.

iii. If the RPCE determines that its system may be materially impacted by granting the service, it may contact the Transmission Provider and request participation in the applicable studies. The Transmission Provider will coordinate with the RPCE with respect to the nature of studies to be performed to test the impacts of the requested service on the RPCE system, and will strive to minimize the costs associated with the coordinated study process. The JPC will develop screening procedures to assist in the identification of service requests that may impact systems of
the JPC members other than the transmission provider receiving the request.

iv. Any coordinated studies for request on the transmission Provider’s system will be performed in accordance with the study timeline and scope requirements of the applicable transmission service procedures of the Transmission Provider.

v. The RPCE may participate in the coordinated study either by taking responsibility for performance of studies of its system, if deemed reasonable by the Transmission Provider or by providing input to the studies to be performed by the Transmission Provider. The study cost estimates indicated in the study agreement between the Transmission Provider and the transmission service customer will reflect the costs and the associated roles of the study participants. The Transmission Provider will review the cost estimates and scope submitted by all participants for reasonableness, based on expected levels of participation and responsibilities in the study.

vi. The Transmission Provider will collect from the transmission service customer, and forward to the RPCE, the costs incurred by the RPCE with the performance of such studies.

vii. The Transmission Provider receiving the request will identify any transmission infrastructure improvements required as a result of the transmission service request.
viii. Construction and cost responsibility associated with any transmission infrastructure improvements required as a result of the transmission service request shall be accomplished under the terms of the applicable OATT, Transmission Service Guidelines, controlling agreements, and consistent with applicable Federal or State regulatory policy and applicable law.

d. Coordinated Regional Transmission Planning Study: The Transmission Provider agrees to participate in the conduct of a periodic Coordinated Regional Transmission Planning Study (CRTPS). The CRTPS shall have as input the results of ongoing analyses of requests for interconnection and ongoing analyses of requests for long-term firm transmission service. The Parties shall coordinate in the analyses of these ongoing service requests in accordance with Sections E.4.b and E.4.c. The results of the CRTPS shall be an integral part of the expansion plans of each Party. Construction of upgrades on the Transmission System of the Transmission Provider that are identified as necessary in the CRTSP shall be under the terms of the Owners Agreement of the Transmission Provider, applicable to the construction of upgrades identified in the expansion planning process. Coordination of studies required for the development of the Coordinated System Plan will include the following:

i. Every three years, the Transmission Provider shall participate in the performance of a CRTPS. Sensitivity analyses will be performed, as required, during the off years based on a review by the JPC of discrete
reliability problems or operability issues that arise due to changing system conditions.

ii. The CRTPS shall identify all reliability and expansion issues, and shall propose potential resolutions to be considered by The Transmission Provider and the coordinating RPCEs.

iii. As a result of participation in the CRTPS, except as provided for in Section II.A.1., the Transmission Provider is not obligated in any way to construct, finance, operate, or otherwise support any transmission infrastructure improvements or other transmission-related projects identified in the CRTPS. Any decision to proceed with any transmission infrastructure improvements or other transmission-related projects identified in the CRTPS shall be based on the applicable reliability, operational and economic planning criteria established for the Transmission Provider as applicable to the development of the MTEP and set forth in this Attachment FF.

iv. As a result of participation in the CRTPS, the RPCEs are not entitled to any rights to financial compensation due to the impact of the transmission plans of the Transmission Provider upon the RPCE system, including but not limited to its decisions whether or not to construct any transmission infrastructure improvements or other transmission-related projects identified in the CRTPS.
v. The JPC will develop the scope and procedure for the CRTPS. The scope of the CRTPSs performed over time will include evaluations of the transmission systems against reliability criteria, operational performance criteria, and economic performance criteria applicable to the Transmission Provider and the RPCEs.

vi. In the conduct of the CRTPS, the Transmission Provider and the coordinating RPCEs will use planning models that are developed in accordance with the procedures to be established by the JPC. Exchange of power flow models will be in a format that is acceptable to the coordinating parties.

vii. Stakeholder Review Processes. The Transmission Provider, in coordination with coordinating RPCEs shall review the scope and results of the CRTPS with impacted stakeholders, and shall modify the study scope as deemed appropriate by the Transmission Provider in agreement with the coordinating RPCEs, after receiving stakeholder input. Such reviews will utilize the existing planning stakeholder forums of the coordinating parties including as applicable joint Sub Regional Planning Meetings.

II. Development Process for MTEP Projects: The Transmission Provider will develop the MTEP biennially or more frequently. The MTEP will identify expansion projects for inclusion in the MTEP according to the factors set forth in Appendix B of the ISO Agreement and Section
For purposes of assigning cost responsibility, expansion projects in the MTEP shall be categorized pursuant to the following criteria.

A. **Reliability Needs:** Reliability projects are identified either in the periodically performed Baseline Reliability Study, or in Facilities Studies associated with the request processes for new transmission access. Transmission access includes requests for both new transmission delivery service and new generation interconnection service.

   1. **Baseline Reliability Projects:** Baseline Reliability Projects are Network Upgrades identified in the base case as required to ensure that the Transmission System is in compliance with applicable national Electric Reliability Organization (“ERO”) reliability standards and reliability standards adopted by Regional Reliability Organizations and applicable within the Transmission Provider Region. Baseline Reliability Projects include projects that are needed to maintain reliability while accommodating the ongoing needs of existing Market Participants and Transmission Customers. Baseline Reliability Projects may consist of a number of individual facilities that in the judgment of the Transmission Provider constitute a single project for cost allocation purposes. The Transmission Provider shall collaborate with Transmission Owning members, other transmission providers, Transmission Customers, and other stakeholders to develop appropriate planning models that reflect expected system conditions for the planning horizon. The planning models shall reflect the projected load growth of existing network customers and other transmission service and interconnection commitments, and shall include any transmission
projects identified in Service Agreements or interconnection agreements that are entered into in association with requests for transmission delivery service or transmission interconnection service, as determined in Facilities Studies associated with such requests. The Transmission Provider shall test the MTEP for adequacy and security based on commonly applicable national Electric Reliability Organization ("ERO") standards, and under likely and possible dispatch patterns of actual and projected Generation Resources within the Transmission System and of external resources, including dispatch reflective of Long-Term Transmission Rights of Transmission Customers, and shall produce an efficient expansion plan that includes all Baseline Reliability Projects determined by the Transmission Provider to be necessary through the planning horizon of the MTEP. The Transmission Provider shall obtain the approval of the Transmission Provider Board, as set forth in Section VI, for each MTEP published.

2. New Transmission Access Projects: New Transmission Access Projects are defined for the purposes of Attachment FF as Network Upgrades identified in Facilities Studies and agreements pursuant to requests for transmission delivery service or transmission interconnection service under the Tariff. New Transmission Access Projects include projects that are needed to maintain reliability while accommodating the incremental needs associated with requests for new transmission or interconnection service, as determined in Facilities Studies associated with such requests. New Transmission Access Projects may consist of a number of individual facilities, which in the judgment of
the Transmission Provider constitute a single project for cost allocation purposes.

New Transmission Access Projects are either Generation Interconnection Projects or Transmission Delivery Service Projects as defined in Sections II.A.2.a. and II.A.2.b. The Transmission Provider shall consider the Baseline Reliability Projects already determined to be needed in the most current MTEP, as well as any other base-case needs not associated with the request for new service that may be identified during the impact study process when determining the need for New Transmission Access Projects. Any identified base-case needs determined in the impact study process that are not a part of the Baseline Reliability Projects already identified in the most current MTEP shall become new Baseline Reliability Projects and shall be included in the next MTEP. New Transmission Access Projects identified in Facilities Studies and agreements pursuant to requests for transmission delivery service or transmission interconnection service under this Tariff shall be included in the next MTEP.

a. Generation Interconnection Projects: Generation Interconnection Projects are New Transmission Access Projects that are associated with interconnection of new, or increase in generating capacity of existing, generation under Attachments X to this Tariff.

b. Transmission Delivery Service Projects: Transmission Delivery Service Projects are New Transmission Access Projects that are needed to provide for requests for new Point-To-Point Transmission Service, or
requests under Module B of the Tariff for Network Service or a new
designation of a Network Resource(s).

B. Market Efficiency Projects: Market Efficiency Projects are Network Upgrades:

(i) that are proposed by the Transmission Provider, Transmission Owner(s), ITC(s), Market
Participant(s), or regulatory authorities; (ii) that are found to be eligible for inclusion in the
MTEP or are approved pursuant to Appendix B, Section VII of the ISO Agreement after June 16,
2005, applying the factors set forth in Section I.C. of this Attachment FF; (iii) that have a Project
Cost of $5 million or more; (iv) that involve facilities with voltages of 345 kV or higher;
and that may include any lower voltage facilities of 100kV or above that collectively constitute less
than fifty percent (50%) of the combined project cost, and without which the 345 kV or higher
facilities could not deliver sufficient benefit to meet the required benefit-to-cost ratio threshold
for the project as established in Section II.B.1.e, or that otherwise are needed to relieve
applicable reliability criteria violations that are projected to occur as a direct result of the
development of the 345 kV or higher facilities of the project; (v) that are not determined to be
Multi Value Projects; and (vi) that are found to have regional benefits under the criteria set forth
in Section II.B.1 of this Attachment FF.

1. Criteria to Determine Whether a Project Should be Included as a Market

Efficiency Project: The Transmission Provider shall employ multiple future scenarios
and multi-year analysis including sensitivity analyses guided by input from the Planning
Advisory Committee to evaluate the anticipated benefits of a proposed Market Efficiency

1 Transformer voltage is defined by the voltage of the low-side of the transformer for these purposes.
Project in order to determine if such a project meets the criteria for inclusion in the regional plan as a Market Efficiency Project eligible for regional cost sharing. Sensitivity analyses shall include, among other factors, consideration of: (i) variations in amount, type, and location of future generation supplies as dictated by future scenarios developed with stakeholder input and guidance; (ii) alternative transmission proposals; (iii) impacts of variations in load growth; and (iv) effects of demand response resources on transmission benefits.

The Transmission Provider shall perform this inclusion analysis as follows:

a. The Transmission Provider shall utilize a weighted futures, no loss (“WFNL”) metric to analyze the anticipated annual economic benefits of construction of a proposed Market Efficiency Project to Transmission Customers in each of the Local Resource Zones, as defined in Attachment WW, based upon adjusted production cost (“APC”) savings. APC savings will be calculated as the difference in total production cost of the Resources in each Local Resource Zone adjusted for import costs and export revenues with and without the proposed Market Efficiency Project as part of the Transmission System. The WFNL metric for each Local Resource Zone shall be calculated using the weighted APC savings determined for each future scenario included in the analysis.

i. The WFNL metric shall utilize the future scenarios determined and identified by the Transmission Provider through the planning process, with input from all stakeholders. The weights applied to the results of each future scenario shall also be determined by the Transmission Provider with input from all stakeholders.
b. Project benefit evaluations will include benefits for the first 20 years of project life after the projected in-service date, with a maximum planning horizon of 25 years from the approval year. The annual benefit for a proposed Market Efficiency Project shall be determined as the sum of the WFNL values for each Local Resource Zone, as defined in Attachment WW. The total project benefit shall be determined by calculating the present value of annual benefits for the multiple year scenarios and multi-year evaluations.

c. The costs applied in the benefit to cost ratio shall be the present value, over the same period for which the project benefits are determined, of the annual Network Upgrade Charges for the project as determined in accordance with the formula in Attachment GG.

d. The present value calculation for both the annual benefits and annual costs will apply a discount rate representing the after-tax weighted average cost of capital of the Transmission Owners that make up the Transmission Provider Transmission System.

e. The Transmission Provider shall employ a benefit to cost ratio test to evaluate a proposed Market Efficiency Project. Only projects that meet a benefit to cost ratio of 1.25 or greater shall be included in the MTEP as a Market Efficiency Project and be eligible for regional cost sharing.

f. The benefits of the project used to determine the associated cost allocations as a percentage of project cost shall be determined one time at the time that the project is presented to the Transmission Provider Board for approval. Estimated Project Cost will be used to estimate the benefit to cost ratio and the eligibility for cost sharing at the time
of project approval. To the extent that the Commission approves the collection of costs in rates for Construction Work in Progress (“CWIP”) for a constructing Transmission Owner, costs will be allocated and collected prior to completion of the project.

g. The aforementioned Market Efficiency Project inclusion criteria shall be used for the exclusive purpose of determining whether projects are eligible for regional cost sharing in accordance with Section III.A.2.f below. These criteria shall not affect the existing criteria set forth in Appendix B of the ISO Agreement for determining whether projects are eligible for inclusion in the MTEP. Moreover, the costs of projects included in the MTEP, but not eligible for regional cost sharing, shall continue to be eligible for inclusion in the calculation of Transmission Owner revenue requirements under Attachment O of this Tariff.

C. Multi Value Projects: A Multi Value Project is one or more Network Upgrades that address a common set of Transmission Issues and satisfy the conditions listed in Sections II.C.1, II.C.2., and II.C.3 of Attachment FF. All Network Upgrades associated with a Multi Value Project including any lower voltage facilities that may be needed to relieve applicable reliability criteria violations that are projected to occur as a direct result of the development of the Multi Value Project; may be cost shared per Section III.A.2.g of Attachment FF except for i) any Network Upgrade cost associated with constructing an underground or underwater transmission line above and beyond the cost of a feasible alternative overhead transmission line that provides comparable regional benefits, and ii) any DC transmission line and associated terminal equipment when scheduling and dispatch of the DC transmission line is not turned over to the Transmission Provider's markets, real-time control of the DC transmission line is not turned over to the
Transmission Provider's automatic generation control system and/or the DC transmission line is operated in a manner that requires specific users to subscribe for DC transmission service.

1. A Multi Value Project must be evaluated as part of a Portfolio of projects, as designated in the transmission expansion planning process, whose benefits are spread broadly across the footprint.

2. A Multi Value Project must meet one of the three criteria outlined below:
   a. Criterion 1. A Multi Value Project must be developed through the transmission expansion planning process for the purpose of enabling the Transmission System to reliably and economically deliver energy in support of documented energy policy mandates or laws that have been enacted or adopted through state or federal legislation or regulatory requirement that directly or indirectly govern the minimum or maximum amount of energy that can be generated by specific types of generation. The MVP must be shown to enable the transmission system to deliver such energy in a manner that is more reliable and/or more economic than it otherwise would be without the transmission upgrade.
   b. Criterion 2. A Multi Value Project must provide multiple types of economic value across multiple pricing zones with a Total MVP Benefit-to-Cost ratio of 1.0 or higher where the Total MVP Benefit-to-Cost ratio is described in Section II.C.7 of this Attachment FF. The reduction of production costs and the associated reduction of LMPs resulting from a transmission congestion.
relief project are not additive and are considered a single type of economic value.

c. Criterion 3. A Multi Value Project must address at least one Transmission Issue associated with a projected violation of a NERC or Regional Entity standard and at least one economic-based Transmission Issue that provides economic value across multiple pricing zones. The project must generate total financially quantifiable benefits, including quantifiable reliability benefits, in excess of the total project costs based on the definition of financial benefits and Project Costs provided in Section II.C.7 of Attachment FF.

3. All of the following conditions must be satisfied in order for a project to be classified as a Multi Value Project:

a. Facilities associated with the transmission project must not be in service, under construction, or approved for construction by the Transmission Provider Board prior to July 16, 2010 or the date a Transmission Owner becomes a signatory member of the ISO Agreement, whichever is later. This Section II.C.3.a shall not preclude the Multi Value Project classification of an Competitive Transmission Project that makes a Selected Developer(s) eligible to become a Transmission Owner.

b. The transmission project must be evaluated through the Transmission Provider's transmission planning process and approved for construction by
the Transmission Provider Board prior to the start of construction, where
c. The transmission project must not contain any transmission facilities listed
construction does not include preliminary site and route selection activities.
in Attachment FF-1 of this Tariff.
d. The total capital cost of the transmission project must be greater than or
equal to $20,000,000.00.
e. The transmission project must include, but not necessarily be limited to, the
construction or improvement of transmission facilities operating at voltages
above 100 kV. A transformer is considered to operate above 100 kV when
at least two sets of transformer terminals operate at voltages above 100 kV.
f. Network Upgrades driven solely by an Interconnection Request, as defined
in Attachment X of the Tariff, or a Transmission Service request will not be
considered Multi Value Projects.
4. Any transmission project that qualifies as a Multi-Value Project shall be
classified as an MVP irrespective of whether such project is also a Baseline
Reliability Project and/or Market Efficiency Project.
5. The specific types of economic value provided by a Multi Value Project
include the following:
a. Production cost savings where production costs include generator
start-up, hourly generator no-load, generator energy and generator
Operating Reserve costs. Production cost savings can be realized
through reductions in both transmission congestion and transmission
energy losses. Productions cost savings can also be realized through reductions in Operating Reserve requirements within Reserve Zones and, in some cases, reductions in overall Operating Reserve requirements for the Transmission Provider.

b. Capacity losses savings where capacity losses represent the amount of capacity required to serve transmission losses during the system peak hour including associated planning reserve.

c. Capacity savings due to reductions in the overall Planning Reserve Margins resulting from transmission expansion.

d. Long-term cost savings realized by Transmission Customers by accelerating a long-term project start date in lieu of implementing a short-term project in the interim and/or long-term cost savings realized by Transmission Customers by deferring or eliminating the need to perform one or more projects in the future.

e. Any other financially quantifiable benefit to Transmission Customers resulting from an enhancement to the Transmission System and related to the provisions of Transmission Service.

6. Any project to facilitate like-for-like capital replacements of plant originally installed as part of a Multi Value Project where replacement is due to aging, failure, damage or relocation requirements where such replacement is not the result of negligence by the constructing Transmission Owner will be treated as a Multi Value Project. The minimum project cost limitation for Multi Value Projects
described in Section II.C.3.d of Attachment FF will not apply to the like for-like capital replacement projects described in this Section.

7. The following Total MVP Benefit-to-Cost Ratio will be applied to any Multi Value Project justified solely on the basis of Sections II.C.2.b or II.C.2.c of this Attachment FF to ensure such project qualifies as a Multi Value Project:

   Total MVP Benefit-to-Cost Ratio = financial benefits / Project Costs.

For the purpose of this calculation, Financial Benefits will be set equal to the present value of all financially quantifiable benefits provided by the project projected for the first 20 years of the project's life and Project Costs will be set equal to the present value of the annual revenue requirements projected for the first 20 years of the project's life.

8. The aforementioned Multi Value Project inclusion criteria shall be used for the exclusive purpose of determining whether projects are eligible for regional cost sharing in accordance with Section III.A.2.g below. These criteria shall not affect the existing criteria set forth in Appendix B of the ISO Agreement for determining whether projects are eligible for inclusion in the MTEP. Moreover, the costs of projects included in the MTEP, but not eligible for regional cost sharing, shall continue to be eligible for inclusion in the calculation of Transmission Owner revenue requirements under Attachment O of this Tariff.
D. **Identification of Potential Impacts of a Market Efficiency Project or Multi Value Project on Neighboring Transmission Planning Region(s)**

As part of the evaluation of any proposed Market Efficiency Project or Multi Value Project, the Transmission Provider will determine whether the proposed Market Efficiency Project or Multi Value Project causes any violations of NERC reliability standards on the transmission system(s) of the adjacent neighboring transmission planning region(s). If the Transmission Provider’s evaluation identifies any such violations of NERC reliability standards, the Transmission Provider will contact and coordinate with the other potentially affected adjacent neighboring transmission planning region(s) on any further evaluation.

III. **Designation of Cost Responsibility for MTEP Projects:** Based on the planning analysis performed by the Transmission Provider, which shall take into consideration all appropriate input from Market Participants or external entities, including, but not limited to, any indications of a willingness to bear cost responsibility for an enhancement or expansion, the recommended MTEP shall, for any enhancement or expansion that is included in the plan, designate: (i) the Market Participant(s) in one or more pricing zones that will bear cost responsibility for such enhancement or expansion, as and to the extent provided by any applicable provision of the Tariff, including Attachments N, X, or any applicable cost allocation method ordered by the Commission; or, (ii) in the event and to the extent that no provision of the Tariff so assigns cost responsibility, the Market Participant(s) or Transmission Customer(s) in one or more pricing zones from which the cost of such enhancements or expansions shall be

recovered through charges established pursuant to Attachment GG of this Tariff, or as otherwise provided for under this Attachment FF.

Any designation under clause (ii) of the preceding sentence shall be determined as provided for in Section III.A of this Attachment FF. For all such designations, the Transmission Provider shall calculate the cost allocation impacts to each pricing zone. The results will be reviewed for unintended consequences by the Transmission Provider and the Tariff Working Group and any such identified consequences shall be reported to the Planning Advisory Committee, and the OMS.

A. Allocation of Costs Within the Transmission Provider Region

1. Default Cost Allocation: Except as otherwise provided for in this Attachment FF, or by any other applicable provision of this Tariff and consistent with the ISO Agreement, the responsibility for Network Upgrades included in the approved MTEP will be addressed in accordance with the provisions of the ISO Agreement.

2. Cost Allocation: The Transmission Provider will designate and assign cost responsibility on a regional, and sub-regional basis for Network Upgrades identified in the MTEP subject to the grand-fathered project provisions of Section III.A.2.b.

   a. Market Participant’s Option to Fund: Notwithstanding the Transmission Provider’s assignment of cost responsibility for a project included in the MTEP, one or more Market Participants may elect to assume cost responsibility for any or all costs of a Network Upgrade that is included in the MTEP. Provided however, in the event the Market Participant is also
a Transmission Owner such election of the option to fund must be made on a consistent, non-discriminatory basis.

b. Grandfathered Projects: The cost allocation provisions of this Attachment FF shall not be applicable to transmission projects identified in Attachment FF-1, which is based on the list of projects designated as Planned Projects in the MTEP approved by the Transmission Provider Board on June 16, 2005 (MTEP 05) and some additions of proposed projects that the Transmission Provider has determined to be in the advanced stages of planning.

c. Baseline Reliability Projects: Costs of Baseline Reliability Projects shall be recovered pursuant to Attachment O of this Tariff by the Transmission Owner(s) and/or ITC(s) developing such projects, such that the Transmission Owner(s) and/or ITC(s) developing a Baseline Reliability Project shall be responsible for all of the costs of the portion of the Baseline Reliability Project that is physically located in the Transmission Owner’s and/or ITC’s pricing zone, subject to the requirements of the ISO Agreement.

d. Generation Interconnection Projects: Costs of Generation Interconnection Projects that are not determined by the Transmission Provider to be Baseline Reliability Projects, Market Efficiency Projects, or Multi-Value Projects and the Network Upgrade costs associated with advancing a Baseline Reliability Project, Market Efficiency Project, or Multi-Value
Project associated with a generator interconnection will be paid for by the Interconnection Customer(s) in accordance with Attachment X.

For Generation Interconnection Projects interconnecting to the American Transmission Company LLC transmission system, such costs will be subject to the provision of Attachment FF – ATCLLC.

1) For Network Upgrades to facilities in voltage classes at or above 345 kV, the Interconnection Customer shall be repaid 10 percent of the costs of the Generation Interconnection Project funded by the Interconnection Customer once Commercial Operation is achieved. The Transmission Owner(s) constructing the Generation Interconnection Project will repay 10% of the Generation Interconnection Project costs associated with Network Upgrade facilities in a voltage class of 345 kV or greater to the Interconnection Customer under repayment terms consistent with the schedules and other terms of Attachment X.

The 10% of the Project Cost associated with Network Upgrade facilities of voltage class 345 kV or above and repaid to the Interconnection Customer shall be allocated on a system-wide basis and recovered pursuant to Attachment GG of this Tariff.

2) An Interconnection Customer may be required to contribute to the cost of Shared Network Upgrades, as defined in Attachment X to
the Tariff, that are funded by another Interconnection Customer as a Generation Interconnection Project pursuant to Attachment X.

Each Interconnection Customer with one or more Shared Network Upgrade(s) identified in Appendix A of its Generator Interconnection Agreement shall make a one-time payment under Schedule 26-B to the Transmission Provider in accordance with the terms in the Generator Interconnection Agreement. The one-time payment will reflect the cost of the Shared Network Upgrade assigned to the Interconnection Customer as determined by the Transmission Provider.

All revenue collected by the Transmission Provider through Schedule 26-B shall be distributed to the appropriate Interconnection Customer(s).

3) The Interconnection Customer shall be entitled, pursuant to Section 46 of this Tariff, to any Financial Transmission Rights or other rights to the extent provided for under this Tariff, for any Network Upgrade costs funded by or charged to the Interconnection Customer and not subject to repayment under the provisions of this Section III.A.2.d. In the event that a Generation Interconnection Project defers or displaces a Baseline Reliability Project, the costs of the Generation Interconnection Project up to the costs of the deferred or displaced Baseline Reliability Project
shall be allocated consistent with the cost allocation for the
Baseline Reliability Project.

4) International Transmission/Michigan Electric Transmission
Company:

(a) For those Generation Interconnection Projects for
which International Transmission Company or Michigan
Electric Transmission Company, LLC, (“International” or
“METC”) as Transmission Owners will be a signatory to
the interconnection agreement under the terms of
Attachment X of this Tariff or any successor provision of
the Tariff executed by the parties after the effective date of
this Attachment FF Section III.A.2.d.4, this Attachment FF
Section III.A.2.d.4 shall apply.

(b) Generation Interconnection Projects: The cost of
Network Upgrades for Generation Interconnection Projects
that are not determined by the Transmission Provider to be
Baseline Reliability Projects shall be reimbursed by the
Transmission Owner as provided in this Section III.A.2.d.4.

All costs of Network Upgrades for Generation
Interconnection Projects will initially be paid by the
Interconnection Customer in accordance with the terms of
the Interconnection Agreement entered into pursuant to

Effective On: February 2, 2016
Attachment X of this Tariff. To the extent the Interconnection Customer demonstrates at the time of Commercial Operation of the Generating Facility one of the following:

i. Generating Facility has been designated as a Network Resource in accordance with the Tariff, or

ii. Contractual commitment has been entered into with a Network Customer for capacity, or in the case of an Intermittent Resource, for energy, from the Generating Facility for a period of one (1) year or longer.

The Interconnection Customer will receive up to one hundred percent (100%) reimbursement of reimbursable costs within ninety (90) days of the Commercial Operation Date, such reimbursement prorated by the percentage of the Generating Facility capacity or annual available energy output contracted for and as demonstrated to the satisfaction of the Transmission Provider.

If the Interconnection Customer is unable to demonstrate to the satisfaction of the Transmission Provider at the time of Commercial Operation of the
Generating Facility that the Generating Facility has met the repayment obligations set forth in Attachment FF Sections III.A.2.d.4.b.i. or III.A.2.d.4.b.ii. the Interconnection Customer shall be directly assigned 100% of the costs of the Generation Interconnection Project. The Transmission Owner may effect this direct assignment of costs by either foregoing any repayment of costs funded by the Interconnection Customer, or by electing to repay 100% of the costs under repayment terms consistent with the schedules and other terms of Attachment X.

The Interconnection Customer shall be entitled, pursuant to Section 46 of this Tariff, to any Financial Transmission Rights or other rights to the extent provided for under this Tariff, for any Network Upgrade costs funded by or charged to the Interconnection Customer and not subject to repayment under the provisions of this Attachment FF Section III.A.2.d.4. In the event that a Generation Interconnection Project defers or displaces a Baseline Reliability Project, the costs of the Generation Interconnection Project up to the costs of the deferred or displaced Baseline Reliability Project shall be allocated...
consistent with the cost allocation for the Baseline Reliability Project.

(c) For all amounts to be reimbursed by a Transmission Owner to an Interconnection Customer in accordance with this Attachment FF Section III.A.2.d.4, the Transmission Owner will reimburse the sums received from the Interconnection Customer in cash together with any applicable interest, in accordance with the terms of the Interconnection Agreement.

(d) Allocation of Generation Interconnection Reimbursement. For all amounts reimbursed by a Transmission Owner to an Interconnection Customer under this Attachment FF Section III.A.2.d.4, the reimbursement will be allocated as follows:

i. Projects of Voltage Below 345 kV: 50% of the applicable Project Cost for Generation Interconnection Projects with a voltage class below 345 kV shall be allocated on a sub-regional basis to all Transmission Customers in designated pricing zones. The designated pricing zones and the sub-regional allocation of the Project Cost shall be determined on a
case-by-case basis in accordance with a Line Outage Distribution Factor Table (“LODF Table”) developed by the Transmission Provider which is similar in form to that attached hereto as Attachment FF-2. The LODF Table is based on Transmission System topology and Line-Outage Distribution Factors associated with the project under consideration and is used to determine the pricing zones to be included in the sub-regional allocation of the Project Cost. The percentage of the sub-regional allocation assigned to each designated pricing zone shall be determined based on the relative share between pricing zones of the sum of the absolute value of the product of the Line-Outage Distribution Factor on each Branch Facility in a pricing zone and the length in miles of the Branch Facility. The remaining fifty percent (50%) of the reimbursement will not be subject to any regional or sub-regional cost allocation, but
will be recovered by that Transmission
Owner under its Attachment O transmission
rate formula under this Tariff.

ii. Projects of Voltage 345 kV and Higher:

10% of the applicable Project Cost for
Generation Interconnection Projects with a
voltage class of 345 kV or higher shall be
allocated on a system-wide basis to all
Transmission Customers and recovered
through a system-wide rate. 40% of the
applicable Project Cost for Generation
Interconnection Projects with a voltage class
of 345 kV or higher shall be allocated on a
sub-regional basis to all Transmission
Customers in designated pricing zones. The
designated pricing zones and the sub-
regional allocation of the Project Cost shall
be determined on a case-by-case basis in
accordance with a Line Outage Distribution
Factor Table (“LODF Table”) developed by
the Transmission Provider similar in form to
that attached hereto as Attachment FF-2.
The LODF Table is based on Transmission System topology and Line-Outage Distribution Factors associated with the project under consideration and is used to determine the pricing zones to be included in the sub-regional allocation of the Project Cost. The percentage of the sub-regional allocation assigned to each designated pricing zone shall be determined based on the relative share between pricing zones of the sum of the absolute value of the product of the Line-Outage Distribution Factor on each Branch Facility in a pricing zone and the length in miles of the Branch Facility. The remaining fifty percent (50%) of the reimbursement will not be subject to any regional or sub-regional cost allocation, but will be recovered by that Transmission Owner under its Attachment O transmission rate formula under this Tariff.
e. Transmission Delivery Service Projects: Costs of Transmission Delivery Service Projects shall be assigned and recovered in accordance with Attachment N of this Tariff.

f. Market Efficiency Projects: Costs of Market Efficiency Projects shall be allocated as follows:

i) Twenty percent (20%) of the Project Cost of the Market Efficiency Project shall be allocated on a system-wide basis to all Transmission Customers and recovered through a system-wide rate.

ii) Eighty percent (80%) of the costs of the Market Efficiency Projects shall be allocated to all Transmission Customers in each of the Local Resource Zones, as defined in Attachment WW. The cost allocated to each Local Resource Zone shall be based on the relative benefit determined for each Local Resource Zone that has a positive present value of annual benefits over the evaluation period using the methodology for project benefit determination of Section II.B.1.

iii) Excessive Funding or Requirements: The Transmission Provider shall seek to identify and manage the development of, as a part of the planning process for Market Efficiency Projects, portfolios of projects that tend to provide benefits throughout each Local Resource Zone, as defined in
Transmission Provider shall analyze on an annual basis whether the project portfolios developed in accordance with this goal and the criteria in Section III. A.2.f unintentionally result in unjust or unreasonable annual capital funding requirements for any Transmission Owner or rate increases for Transmission Customers in designated pricing zones; or otherwise result in undue discrimination between the Transmission Customers, Transmission Owners, or any Market Participants; any such identified consequences shall be reported to the Planning Advisory Committee and to the Organization of MISO States. After discussing such assessments with the aforementioned stakeholder bodies, and taking into consideration the cumulative experience in applying this Attachment FF, the Transmission Provider will make a determination as to whether Tariff modifications are required, and if so file such modifications.

Multi Value Projects: Costs of Multi Value Projects will be allocated as follows:

i) One-hundred percent (100%) of the annual revenue requirements of the Multi Value Projects shall be allocated on a system-wide basis to Transmission Customers that
withdraw energy, including External Transactions sinking outside the Transmission Provider's region, and recovered through an MVP Usage Charge pursuant to Attachment MM.

h. Treatment of Projects that meet both Baseline Reliability Project Criteria and/or New Transmission Access Project Criteria, and the Market Efficiency Project Criteria: If the Transmission Provider determines that a project designated as a Market Efficiency Project also meets the criteria to be designated as a Baseline Reliability Project and/or a New Transmission Access Project, the cost of such project shall be allocated in accordance with the Market Efficiency Project allocation procedures.

i. Other Projects: Unless otherwise agreed upon pursuant to Section III.A.2.a. of this Attachment FF, the costs of Network Upgrades that are included in the MTEP, but do not qualify as Baseline Reliability Projects, New Transmission Access Projects, Market Efficiency Projects, or Multi-Value Projects shall be eligible for recovery pursuant to Attachment O of this Tariff by the Transmission Owner(s) and/or ITC(s) paying the costs of such project, subject to the requirements of the ISO Agreement.
j. Withdrawal from MISO: A Transmission Owner that withdraws from the MISO as a Transmission Owner shall remain responsible for all financial obligations incurred pursuant to this Attachment FF while a Member of the MISO and payments applicable to time periods prior to the effective date of such withdrawal shall be honored by the MISO and the withdrawing Member.

k. New Transmission Owners: A new Transmission Owner joining the MISO will be responsible for the following financial obligations:
   a. New Transmission Owners will not be responsible for any portion of Baseline Reliability Projects, Generation Interconnection Projects, Transmission Delivery Service Projects, or Market Efficiency Projects that were approved prior to their entry date.
   b. For Multi-Value Projects approved prior to the new Transmission Owner’s entry date, the load interconnected to the Transmission Owner’s Transmission System will be responsible for one-hundred percent (100%) of the MVP usage charge described in Attachment MM for the years following the Transmission Owner’s entry date applied to the Monthly Net Actual Energy Withdrawals for Load.
interconnected to the Transmission Owner’s Transmission System.

i. Only a Transmission Owner shall be authorized to construct and/or own transmission facilities associated with a Baseline Reliability Project, Market Efficiency Project, and/or Multi Value Project. For projects jointly developed between Transmission Owners and other parties the portion constructed and owned by a Transmission Owner may qualify as a Baseline Reliability Project, Market Efficiency Project, and/or Multi Value Project.

IV. Merchant Transmission Project Data Requirements: A proposed merchant transmission developer assumes all financial risk and funding requirements for developing its transmission project(s) and constructing the proposed transmission facility(ies). In order for a proposed merchant transmission developer’s facility to be interconnected to the Transmission System, it is first necessary for the impacted Transmission Owner and the Transmission Provider to analyze the reliability and operational impact of the proposed new merchant transmission facility(ies) on the Transmission System to determine if the new merchant transmission facilities can be reliably supported by the Transmission System, and if not, what Network Upgrades funded by the merchant transmission developer would be required to reliably support the proposed merchant transmission facility(ies). In order to perform the required reliability and
operational analyses, the merchant transmission developer must provide the following data to the
Transmission Provider:

(1) Each transmission circuit and substation, including new facilities, associated with
the merchant transmission proposal;

(2) Nominal operating voltage level in kV and voltage characteristics (i.e., AC or DC)
for each transmission circuit associated with the merchant transmission proposal;

(3) Typical and maximum MW power flow schedules, in each direction, for all
proposed DC transmission circuits associated with the merchant transmission proposal;

(4) Normal and emergency summer and winter load ratings for each transmission
circuit associated with the merchant transmission proposal;

(5) Maximum allowable positive sequence impedance for each AC transmission circuit
associated with the merchant transmission proposal, when applicable;

(6) List of all transmission buses associated with the merchant transmission proposal,
including nominal operating voltage level in kV, voltage characteristics, and terminating
transmission branches and shunts;

(7) Proposed substation one-line diagrams for all new substations associated with the
merchant transmission proposal, including circuit breaker and bus configuration details;

(8) Load ratings, winding connections, impedances, tap data, and any other relevant
information for load carrying equipment and facilities associated with the merchant
transmission proposal, as applicable;

(9) Modeling files to model proposed facilities and relevant new contingencies in
power flow, stability, short-circuit and other relevant study models; and
(10) Any other data determined pertinent to the study by the Transmission Provider and/or interconnecting Transmission Owners for the specific merchant transmission facility proposal.

V. Designation of Entities to Construct, Implement, Own, Operate, Maintain, Repair, Restore, and/or Finance MTEP Projects: With the exception of Competitive Transmission Projects, for each project included in the recommended MTEP Appendix A and prior to approval by the Transmission Provider Board, the plan shall designate one or more Transmission Owners to construct, own, operate, maintain, repair, restore, and finance the recommended project, based on the planning analysis performed by the Transmission Provider and based on other input from participants, including, but not limited to, any indications of a willingness to bear cost responsibility for the project; and applicable provisions of the ISO Agreement. Regarding Competitive Transmission Projects, upon the determination of the Selected Developer(s) for such projects, as set forth in Section VIII of this Attachment FF, the Transmission Provider shall update the approved MTEP Appendix A by identifying the Selected Developer(s) for each Competitive Transmission Project. Should the facilities from such Competitive Transmission Projects not be approved by state regulatory authorities as Competitive Transmission Facilities, but instead as upgrades to existing transmission facilities, as defined in Section VIII.A.2 of this Attachment FF, the Transmission Provider shall update MTEP Appendix A by designating the appropriate Transmission Owner(s) to construct, own, operate, maintain, repair, restore, and finance such facilities in accordance with the ISO Agreement.

VI. Implementation of the MTEP:
A. If the Transmission Provider and any Transmission Owner’s planning representatives, or other designated entity(ies), cannot reach agreement on any element of the MTEP, the dispute may be resolved through the dispute resolution procedures provided in the Tariff, or in any applicable joint operating agreement, or by the Commission or state regulatory authorities, where appropriate. The MTEP shall have as one of its goals the satisfaction of all regulatory requirements as specified in Appendix B or Article IV, Section I, Paragraph C of the ISO Agreement.

B. The Transmission Provider shall present the MTEP, along with a summary of relevant alternative projects that were not selected, to the Transmission Provider Board for approval on a biennial basis, or more frequently if needed. The proposed MTEP shall include specific projects already approved as a result of the Transmission Provider entering into Service Agreements with Transmission Customers where such agreements provide for identification of needed transmission construction, timetable, cost, and Transmission Owner or other parties’ construction responsibilities.

C. Approval of the MTEP by the Transmission Provider Board certifies it as the Transmission Provider plan for meeting the transmission needs of all stakeholders subject to any required approvals by federal or state regulatory authorities. The Transmission Provider shall provide a copy of the MTEP to all applicable federal and state regulatory authorities. The affected Transmission Owner(s), Selected Developer(s), or other designated entity(ies), shall make a good faith effort to design, certify, and build the designated facilities to fulfill the approved MTEP. However, in the event that an MTEP Appendix A project approved by the Transmission Provider Board is being challenged through the dispute resolution procedures
under this Tariff or in court proceedings, the obligation of the Transmission Owners, or other designated entity(ies), to build that specific project (subject to required approvals) is waived until the approved project emerges from the dispute resolution procedures. In the event that selection of the Selected Developer(s) to construct a project is being challenged through the Dispute Resolution Process under Attachment HH of the Tariff, the obligation of the Selected Developer(s) to construct the project pursuant to the Selected Developer Agreement is not waived. The Transmission Provider Board shall allow the Transmission Owners, or other designated entity(ies), to optimize the final design of specific facilities and their in-service dates if necessary to accommodate changing conditions, provided that such changes comport with the approved MTEP and provided that any such changes are accepted by the Transmission Provider through the reevaluation process described in Section VI of this Attachment FF, as necessary. Any disagreements concerning such matters shall be subject to the dispute resolution procedures of this Tariff.

D. The Transmission Provider shall assist the affected Owner(s), Selected Developer(s), or other designated entity(ies), in justifying the need for, and obtaining certification of, any facilities required by the approved MTEP by preparing and presenting testimony in any proceedings before state or federal courts, regulatory authorities, or other agencies as may be required. The Transmission Provider shall publish annually, and distribute to all Members and all appropriate state regulatory authorities, a five-to-ten-year planning report of forecasted transmission requirements. Annual reports and planning reports shall be available to the general public upon request.

VII. Multi-Value Project Costs and Benefits Review and Reporting
A. **Frequency and Reporting of Multi-Value Project Review:** Every three (3) years, as provided below and in the Business Practices Manual for Transmission Planning, the Transmission Provider shall conduct a review of the cumulative costs and benefits associated with MVPs, and shall disseminate the results of such reviews to its stakeholders. The Transmission Provider shall use the review process and results to identify potential modifications to the MVP methodology and its implementation for projects to be approved at a future date.

1. **Triennial Full MVP Review:** Beginning with the MTEP for 2014 (“MTEP 14”), and every third year thereafter, the Transmission Provider shall conduct a full MVP review, as provided in Section VII.B of this Attachment FF.

2. **Annual Limited MVP Review:** Beginning with the MTEP for 2015 (“MTEP 15”), and each year thereafter when there is no full MVP review, the Transmission Provider shall conduct a limited MVP review, as provided in Section VII.C of this Attachment FF.

3. **Calculation of Costs and Benefits:** The Triennial Full MVP Reviews and the Annual Limited MVP Reviews shall calculate costs and benefits on a forward-looking basis over both twenty (20)-year and forty (40)-year periods. The costs calculation shall use updated project costs and in-service dates provided in the latest MTEP quarterly status report, and the benefits calculation shall use updated future scenarios from the latest MTEP planning cycle. The results of the costs and benefits calculation shall be provided for each Local Resource Zone as defined in RAR. If the Local Resource Zones as defined in accordance with RAR.
are modified, the Transmission Provider, working with stakeholders, may define
different Local Resource Zones for purposes of reporting the results of the review.
The definition of different Local Resource Zones in connection with reporting the
results of the review will be detailed in the Business Practices Manual for
Transmission Planning.

4. Dissemination of the Results of the Full and Limited MVP Reviews: Within a
reasonable time after completion of each MVP review, the Transmission Provider
shall disseminate the results of and supporting analysis for the MVP review
through: (a) publication in the MTEP; (b) posting on the appropriate section of
the Transmission Provider’s public website; and (c) presentation to the
appropriate stakeholder committees.

B. Scope of Full Multi-Value Project Review: Each full MVP review shall at a
minimum include the following:

1. Quantitative Benefits: Analysis of the quantifiable economic benefits resulting
from the addition of MVPs, including, but not limited to:
   a. Congestion and Fuel Savings: Savings from increased access to lower
cost Resources;
   b. Decreased Operating Reserves: Savings associated with lower Operating
      Reserve requirements;
   c. Decreased System Planning Reserve Margin: Savings associated with
deferred generation investment due to a reduction in the system-wide
      Planning Reserve Margin; and
d. Decreased Transmission Line Losses: Savings associated with deferred generation investment due to a reduction in the Capacity required to serve transmission losses during peak hours, to the extent that MVPs reduce such losses.

2. Public Policy and Other Qualitative Benefits: Analysis of the public policy and other qualitative benefits accruing from MVPs, such as newly interconnected wind units; and an increase in the percentage of the Transmission Provider’s Energy needs being supplied by wind and/or other renewable resources, and wind curtailments.

3. Historical Data: Provision, beginning with the MTEP for 2017 (“MTEP 17”), and based on the historical data available to the Transmission Provider for the five (5) prior years, of information on certain additional market trend metrics including, but not limited to:
   a. Congestion costs;
   b. Energy prices;
   c. Fuel costs;
   d. Planning Reserve Margin requirements;
   e. Number of newly interconnected Resources, by Resource type; and
   f. The share of the Transmission Provider’s Energy supplied, by Resource type.

C. Scope of Limited Multi-Value Project Review: Each limited MVP review shall at a minimum include the items described in Sections VII.B.1.a and VII.B.3 of this
Attachment FF, as well as project costs and in-service dates, based on the latest available data for the current year, in preparation for the next full MVP review.

VIII. COMPETITIVE TRANSMISSION PROCESS

This section of Attachment FF of the Tariff describes the processes and requirements associated with identifying Competitive Transmission Facilities contained within a Market Efficiency Project or Multi-Value Project approved by the Transmission Provider Board in MTEP Appendix A; certifying entities as Qualified Transmission Developers, whether they are existing Transmission Owners or non-incumbent transmission developers; solicitation of Proposals from Qualified Transmission Developers to construct, implement, own, operate, maintain, repair, and restore the Competitive Transmission Facilities; evaluation of Proposals; and designation of a Selected Proposal and Selected Developer(s) pursuant to Section VIII of Attachment FF of the Tariff.

VIII.A. APPLICABILITY

VIII.A.1. State or Local Rights of First Refusal:

The Transmission Provider shall comply with any Applicable Laws and Regulations granting a right of first refusal to a Transmission Owner. The Transmission Owner will be assigned any transmission project within the scope, and in accordance with the terms, of any Applicable Laws and Regulations granting such a right of first refusal. These Applicable Laws and Regulations include, but are not limited to, those granting a
right of first refusal to the incumbent Transmission Owner(s) or governing the use of existing developed and undeveloped right of way held by an incumbent utility.

VIII.A.2. **Upgrades to Existing Transmission Facilities:**

A Transmission Owner shall have the right to develop, own and operate any upgrade to a transmission facility owned by the Transmission Owner, in accordance with this Tariff and the ISO Agreement.

VIII.A.2.1. **Upgrades to Existing Transmission Lines.** Upgrades to existing transmission line facilities include any expansion, replacement or modification, for any purpose, made to existing transmission line facilities that are classified as transmission plant and owned by one or more Transmission Owners, for reasons including, but not limited to:

(a) increasing the load capability of the transmission line or an associated circuit;

(b) increasing the nominal operating voltage of the transmission line or an associated circuit;

(c) installing additional plant on an existing overhead or underground transmission line facility, such as, but not limited to:

   i. plant associated with an additional circuit installed on spare structure positions;

   ii. additional structures to increase a sag limit or for other purposes;
iii. a sectionalizing switch installed on an existing transmission line circuit regardless of whether or not it is installed on an existing structure; and

iv. any other plant additions to existing transmission line facilities.

(d) any requirement or request to relocate transmission line facilities owned by an incumbent Transmission Owner where the purpose of the relocation is not part of the core scope of an Competitive Transmission Project, including, but not limited to, relocations driven by aesthetics, highway expansion projects, other infrastructure expansion projects, projects to improve the reliability or performance of the Transmission System, projects to reduce the cost to operate and maintain the Transmission System, projects to interconnect new generation and load, and projects to accommodate the relocation of an existing substation;

(e) any requirement or request to relocate existing transmission line facilities owned by an incumbent Transmission Owner to accommodate Competitive Transmission Line Facilities associated with an Competitive Transmission Project, where such construction of the Competitive Transmission Line Facilities requires or requests use of the incumbent Transmission Owner’s right-of-way and, as a result, also requires or requests transfer of the existing transmission facilities to alternative right-of-way or an alternative position on the same right-of-way based on either
mutual consent of the incumbent Transmission Owner and Selected Developer(s) and/or the outcome of a state regulatory proceeding or court action;

(f) functionally equivalent capital replacement of any portion of an existing transmission line facility due to aging, deterioration, damage, poor performance, aesthetics, high operating and maintenance costs, or other similar reasons;

(g) replacing one or more existing components of any existing transmission line facility, such as, but not limited to:
   i. replacing existing conductors with higher capacity conductors or better performing conductors;
   ii. replacing existing structures;
   iii. replacing insulators rated at a specific voltage with insulators rated at a higher voltage;
   iv. replacing aging or defective components associated with the existing transmission line;

(h) improving the performance or characteristics of the existing transmission line for any reason;

(i) converting an existing overhead transmission line to an underground transmission line on the same right-of-way and/or converting an existing underground transmission line to an overhead transmission on the same right-of-way;
(j) improving land and land rights booked under the Commission’s Uniform System of Accounts, Account Nos. 105, 350, and/or 380; or

(k) any other modifications to existing transmission facilities.

VIII.A.2.1.1. Installation of additional transmission circuits on existing transmission lines:

If a Competitive Transmission Project includes developing a new transmission circuit and either the project scope or subsequent state or local regulatory proceedings determine that all or a portion of the circuit must be installed on an existing transmission line that is part of the Transmission System (i.e., co-located with existing transmission circuits on the same structures), the following rules will be used to determine what constitutes an upgrade:

(a) If the structures associated with the existing transmission line are multi circuit structures and have spare positions to accommodate installation of one or more additional transmission circuit(s), installation of the new transmission circuit(s) on these spare structure positions will be considered an upgrade.

(b) If the structures associated with the existing transmission line can be expanded to accommodate installation of one or more additional transmission circuit(s), expansion of the structure and installation of the new transmission circuit(s) will be considered an upgrade.

(c) If the structures associated with the existing transmission line are
not multi circuit structures and cannot be expanded to accept additional circuits, do not have sufficient spare structure positions available to accommodate the new transmission circuit(s), or have spare structure positions that are reserved for future use by the incumbent Transmission Owner and not available for the new transmission circuit(s) in question, it will be necessary to rebuild the existing transmission line to accommodate one or more additional transmission circuits. Under this scenario, acquisition of additional right-of-way (if necessary), removal of the existing transmission line plant, construction of new transmission line structures, and transfer or replacement of the existing transmission line conductors, insulators, and shield wires will be considered an upgrade. Installation of new conductors and insulators associated with the new transmission circuit(s) will not be considered an upgrade. Therefore, the incumbent Transmission Owner will have the right of first refusal to engineer, construct, own, operate, restore, maintain, and collect revenue on all transmission plant associated with rebuilding the existing transmission line that is booked to Account Nos. 350, 352, 353, 354, 355, 357, 359, and 359.1 of the Commission’s Uniform System of Accounts in accordance with such Uniform System of Accounts. Furthermore, the incumbent Transmission Owner will have the right of first
refusal to engineer, construct, own, operate, restore, maintain, and collect revenue on all plant associated with existing transmission circuits that is booked to Account Nos. 356 and 358 of the Commission’s Uniform System of Accounts in accordance with such Uniform System of Accounts. In addition, the incumbent Transmission Owner will have the right of first refusal to engineer, construct, own, operate, maintain, and collect revenue on all shield wires associated with the existing transmission line that is booked to Account No. 356 of the Commission’s Uniform System of Accounts in accordance with such Uniform System of Accounts, except for any shield wire that consists of fiber optic cable and is intended to facilitate communications to support protection of the new transmission circuit(s) where the associated protective relay schemes at all terminals associated with the new transmission circuit(s) will be owned by the Selected Developer(s) in accordance with the provisions of Attachment FF that govern whether or not substation improvements are considered an upgrade. The Selected Developer(s) will have the right to engineer, design, own, operate, restore, maintain, and collect revenue on all plant associated with the new transmission circuit(s) that is booked to Account Nos. 356 and 358 of the Commission’s Uniform System of Accounts in accordance with such Uniform
System of Accounts and any shield wire that consists of fiber optic cable and is intended to facilitate communications to support protection of the new transmission circuit(s) where the associated protective relay schemes at all terminals associated with the new transmission circuit(s) will be owned by the Selected Developer(s) in accordance with the provisions of Attachment FF that govern whether or not substation improvements are considered an upgrade. In such cases where an incumbent Transmission Owner and a Selected Developer(s) both own plant associated with a rebuilt existing transmission line, each party will have the right to allocate their respective costs (i.e., revenue requirements for its portion of the investment) in accordance with the cost allocation provisions of this Tariff for Multi Value Projects or Market Efficiency Projects as appropriate. Furthermore, such parties shall, in good faith, develop, negotiate, and execute a joint-use agreement for these facilities that governs responsibilities (including who incurs associated costs) for permitting, engineering, construction, operations, maintenance, restoration, and facility access and file such executed agreement with the Commission, and submit a copy to the Transmission Provider. However, there is no obligation on the incumbent Transmission Owner to provide project implementation and/or operations and
maintenance services to the Selected Developer(s) for the Selected Developer’s portion of the facility, nor is there any obligation on the Selected Developer(s) to provide project implementation and/or operation and maintenance services to the incumbent Transmission Owners for the incumbent Transmission Owner’s portion of the facility, other than the mutual coordination of activities.

VIII.A.2.2. Upgrades to Existing Substations:

Upgrades to existing substations include any expansions, replacements or modifications made, in part or in whole, to any existing substation or portion thereof that is owned by one or more Transmission Owners, and where some or all of the plant within the existing substation is classified as transmission plant. These upgrades include, but are not limited to:

(a) replacing facilities and/or equipment within an existing substation footprint;

(b) installing additional plant within an existing substation footprint;

(c) modifying facilities and/or equipment within an existing substation footprint;

(d) expanding an existing substation footprint within the existing substation site boundaries and installing additional plant within the
expanded area;

(e) acquiring additional land adjacent to the existing substation in conjunction with installation of additional plant within the boundaries of this additional land, including facilities to interconnect such plant to the existing substation plant; and

(f) developing an additional footprint near the existing substation to facilitate effective expansion of the existing substation as further described below in Section VIII.A.2.2.1.

VIII.A.2.2.1. Expansion of an existing substation by developing an additional footprint near the existing substation:

Construction of a new substation footprint near an existing substation to facilitate expansion of the existing substation is considered an upgrade and is necessary when the transmission project calls for expansion of the existing substation and there is not sufficient space for such expansion.

Upgrades through development of a second substation footprint can be accomplished in one of two ways. First, a second substation footprint can be developed near the existing substation footprint, and the two substation footprints will function electrically as a single substation and will be interconnected by bus extensions or connectors. An example would be expanding an existing substation that is landlocked by public roadways by developing a second substation footprint on the other side of one of the roads and then installing an overhead single span connector which would
function as a substation bus to interconnect the two substation footprints.

Second, an existing substation could be retired for many reasons such as but not limited to: lack of room for future expansions, physical conditions such as soil subsidence, earthquake reinforcement requirements, to prevent flood damage, regulatory/public necessity/economic reasons, and other similar factors. A new substation could be developed nearby on a different site and all transmission circuits into the existing substation could be rerouted to the new site, which is essentially the relocation of an existing substation. These scenarios represent upgrades to an existing substation when the intent of the transmission project produced by the transmission planning process is to expand the existing substation rather than develop a new substation or to relocate an existing substation for reasons not related to implementation of a regionally cost shared transmission project.

VIII.B. COMPETITIVE DEVELOPER QUALIFICATION PROCESS

This section of Attachment FF of the Tariff describes the processes and requirements associated with certifying entities as Qualified Transmission Developers, whether they are existing Members or non-incumbent transmission developers.

VIII.B.1. Qualified Transmission Developers:

Only Qualified Transmission Developers may submit Proposals in response to a
Request for Proposals posted by the Transmission Provider for a Competitive Transmission Project. The Transmission Provider will maintain a list of Qualified Transmission Developers on its website that will be updated within thirty (30) Calendar Days of the conclusion of the annual prequalification process described in Section VIII.B.2 of this Attachment FF.

VIII.B.2. Annual Prequalification Process:

In January of each year, the Transmission Provider will open a pre-qualification window for entities that are not currently listed as Qualified Transmission Developers, including existing Members, Non-incumbent Developers, and Non-owner Members, by posting on its website a Transmission Developer Application template and invitation to submit a Transmission Developer Application. To become a Qualified Transmission Developer, each Transmission Developer Applicant must submit a Transmission Developer Application using the template posted with the invitation and further described in the applicable Business Practices Manuals, by the deadline specified in the invitation, but no less than thirty (30) Calendar Days from the date the invitation was posted. The Transmission Developer Applicant shall submit its completed Transmission Developer Application by the day specified as the deadline in accordance with the requirements in the applicable Business Practices Manual. The Transmission Developer Applicant shall also submit a non-refundable transmission developer application fee, as further described in the applicable Business Practices Manuals, in the amount of $20,000.00 by 5:00 PM EPT on the day specified as the Transmission Developer Application deadline to cover
the cost of processing, reviewing, and certifying the Transmission Developer Applicant as a Qualified Transmission Developer should it satisfy all qualification requirements required by Sections VIII.B.4(a) – (g) and VIII.B.4.1 – VIII.B4.4 of this Attachment FF of the Tariff.

VIII.B.2.1. **Completed Transmission Developer Applications:**

To the extent the Transmission Provider finds the Transmission Developer Application deficient of information or data required by in the Transmission Developer Application, the Transmission Provider will notify the Transmission Developer Applicant by e-mail, within thirty (30) Calendar Days of the Transmission Provider’s receipt of the respective Transmission Developer Application, of the deficiencies. The Transmission Developer Applicant shall have thirty (30) Calendar Days from the Transmission Provider’s deficiency notification to submit the additional data required to the Transmission Provider. No additional Transmission Developer Application cure period will be allowed for the purposes of gaining Qualified Transmission Developer status.
VIII.B.2.2. **Transmission Developer Application Review:**

The Transmission Provider will review each submitted Transmission Developer Application that has been cured of any identified deficiencies and will notify each Transmission Developer Applicant of the Transmission Provider’s decision within one-hundred eighty (180) Calendar Days of the Transmission Provider’s receipt of the respective Transmission Developer Application.

The Transmission Provider will certify those Transmission Developer Applicants that meet the qualification requirements specified in Section VIII.B.1 and VIII.B.4 of Attachment FF of the Tariff and the applicable Business Practices Manuals. If the Transmission Provider does not certify a Transmission Developer Applicant, it will provide the applicant with a written explanation detailing its determination within thirty (30) Calendar Days after notification.

The Transmission Provider will update the list of Qualified Transmission Developers, posted on the Transmission Provider’s website, within thirty (30) Calendar Days of providing notification to the Transmission Developer Applicants found to be Qualified Transmission Developers.

The Executive Oversight Committee shall have the exclusive and final authority to approve or reject Transmission Developer Applications and certify Transmission Developer Applicants as Qualified.
VIII.B.3. **Annual Recertification Process:**

In January of each year, at the time the Transmission Provider posts on its website an invitation for entities that are not currently listed as Qualified Transmission Developers to submit Transmission Developer Applications, the Transmission Provider will also send a renewal notification to each existing Qualified Transmission Developer requiring it to provide the Transmission Provider confirmation that the Qualified Transmission Developer continues to meet the requirements for a Qualified Transmission Developer. In response to the Transmission Provider’s renewal notification, Qualified Transmission Developers shall provide the Transmission Provider, within sixty (60) Calendar Days of the date the Transmission Provider sent the renewal notification, the following such data:

(a) Update data currently on file with the Transmission Provider regarding the qualification requirements that were used previously to establish or confirm the entity as a Qualified Transmission Developer if such data has materially changed;

(b) Explain how any changes to data currently on file with the Transmission Provider do not invalidate the Qualified Transmission Developer’s status; and

(c) Submit such updates, including a signed confirmation that the Qualified Transmission Developer still meets all the Qualified Transmission
Developer requirements specified in Section VIII.B.4 of Attachment FF of the Tariff, of the date the Transmission Provider requests such data.

VIII.B.3.1. Renewal Submission Cure Period:

The Transmission Provider may, if necessary, request clarifications or further explanations from the Qualified Transmission Developer, within sixty (60) Calendar Days of the date that the Transmission Provider received a Qualified Transmission Developer’s renewal submission, to ensure that the Qualified Transmission Developer continues to meet the Qualified Transmission Developer requirements specified in Section VIII.B.4 of Attachment FF of the Tariff.

VIII.B.3.2. Review of Renewal Submissions.

The Transmission Provider will notify each Qualified Transmission Developer as to whether or not such entity continues to meet the Qualified Transmission Developer requirements specified in Section VIII.B.4 of Attachment FF of the Tariff, within one-hundred eighty (180) Calendar Days of the date the Transmission Provider sent the renewal notification. In the event an existing Qualified Transmission Developer no longer meets the requirements to be certified as a Qualified Transmission Developer, such entity may seek re-qualification during any subsequent annual qualification process as described in Section VIII.B.2. of Attachment FF of the Tariff. If the Transmission Provider does not
recertify an existing Qualified Transmission Developer, it will provide that
t entity with a written explanation detailing its determination within thirty
(30) Calendar Days of the notification. The Transmission Provider will
also update the list of Qualified Transmission Developers. The Executive
Oversight Committee shall have the exclusive and final authority to
recertify or terminate a Qualified Transmission Developer’s Qualified
Transmission Developer status.

VIII.B.4. Requirements for Qualified Transmission Developer Status:

The general requirements applicable to Qualified Transmission Developers
include the following:

(a) The Transmission Developer Applicant shall be a Transmission Owner or
Non-owner Member in good standing at the time the Transmission
Developer Application is acted on by the Transmission Provider and shall
maintain such status.

(b) The Transmission Developer Applicant shall either: (i) submit a written
commitment, signed by an authorized representative of the Transmission
Developer Applicant, to execute the ISO Agreement should it be
designated as a Selected Developer and to list any Competitive
Transmission Facilities for which it is designated a Selected Developer,
pursuant to the Selected Proposal, in Appendix H of the ISO Agreement
(i.e. the list of transmission facilities transferred to MISO’s functional
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control for the purposes of planning and operation); or (ii) state that it is already a signatory to the ISO Agreement and submit a written commitment, signed by an authorized representative of the Transmission Developer Applicant, that it will list any Competitive Transmission Facilities for which it is designated as a Selected Developer for, pursuant to the Selected Proposal, in Appendix H of the ISO Agreement. The execution of the ISO Agreement must take place after the Competitive Transmission Facilities have been constructed but prior to their energization and the addition of the Competitive Transmission Facilities to Appendix H of the ISO Agreement must take place after the Competitive Transmission Facilities have been energized;

(c) The Transmission Developer Applicant shall submit a written commitment, signed by an authorized representative of the Transmission Developer Applicant, to comply with all Applicable Laws and Regulations, codes, and standards governing the engineering, design, construction, operation, and maintenance of transmission facilities including, but not limited to, federal laws; applicable state and local laws; applicable state and local building codes; federal regulatory requirements; applicable state and local regulatory requirements; applicable state and local licensing authorities; the National Electric Safety Code; the National Electric Code; Applicable Reliability Standards; and Good Utility Practice.
should the Transmission Developer Applicant be designated as a Selected Developer for one or more Competitive Transmission Facilities;

(d) The Transmission Developer Applicant shall either: (i) submit a written commitment, signed by an authorized representative of the Transmission Developer Applicant, to register with NERC in accordance with NERC’s registration guidelines as the transmission owner (TO), transmission operator (TOP), and transmission planner (TP), as those terms are defined by NERC, for all Competitive Transmission Facilities that the Transmission Developer Applicant, if designated as the Selected Developer, will own; or (ii) demonstrate that the Transmission Developer Applicant is already registered with NERC, in accordance with NERC’s registration guidelines, as the transmission owner (TO), transmission operator (TOP), and transmission planner (TP), as those terms are defined by NERC;

(e) The Transmission Developer Applicant shall submit a written commitment, signed by an authorized representative of the Transmission Developer Applicant, that if designated as the Selected Developer, the Transmission Developer Applicant shall either: (i) contract with the interconnecting Local Balancing Authority(s) to include the Competitive Transmission Facilities within the boundaries of the interconnecting LBA and demonstrate to the satisfaction of the Transmission Provider and per agreement by the interconnecting LBA that applicable LBA-related tasks
associated with the proposed Competitive Transmission Facilities that may be delegated to an LBA by the Balancing Authority Agreement will be carried out either by the LBA or the Transmission Developer Applicant if designated as a Selected Developer; or ii) execute the Balancing Authority Agreement, register with NERC as a Balancing Authority (BA), and be designated as the Local Balancing Authority for any proposed Competitive Transmission Facilities, unless the Transmission Developer Applicant is already registered with NERC as a BA and designated as an LBA for one or more of the existing transmission facilities that may interconnect directly with any Competitive Transmission Facilities associated with the Competitive Transmission Project(s) that the Transmission Developer may be awarded;

(f) The Transmission Developer Applicant shall make a written commitment, signed by an authorized representative of the Transmission Developer Applicant, that, if designated as a Selected Developer, it shall comply with the FERC Form 715 Part 4 TRPC, Transmission Planning Criteria and Guidelines on file with FERC and established by each incumbent Transmission Owner whose existing transmission facilities will interconnect directly with the Competitive Transmission Facilities; and

(g) The Transmission Developer Applicant must make a written commitment, signed by an authorized representative of the Transmission Developer Applicant, that, if it is designated as a Selected Developer, it shall comply
with current requirements and standards regarding the interconnection of transmission facilities published by each Transmission Owner or non-Member to which Competitive Transmission Facilities will interconnect including, but not limited to, those standards and requirements required for compliance with the applicable NERC Facilities Design, Connections, and Maintenance (“FAC”) Reliability Standards.

VIII.B.4.1. Project Implementation Requirements:

Transmission Developer Applicants shall submit documentation to demonstrate to the Transmission Provider that the Transmission Developer Applicant has or can obtain sufficient capabilities and competencies to satisfy the following project implementation requirements for Competitive Transmission Projects:

(a) Project management;

(b) Routing and siting studies including public outreach;

(c) Preliminary and detailed engineering and surveying;

(d) Material and equipment procurement;

(e) Construction; and

(f) Commissioning.

There are two general methods that a Transmission Developer Applicant may use to demonstrate it will have sufficient capabilities and competencies to
perform project implementation tasks if chosen as the Selected Developer for a Competitive Transmission Project. First, the Transmission Developer Applicant may provide evidence that it currently develops transmission projects by listing data, pursuant to templates developed by the Transmission Provider, regarding the transmission facilities it owns and the infrastructure and resources it has in place to perform the project implementation activities to develop such transmission facilities, where infrastructure and resources may include, but not necessarily be limited to, employees, contractors, tools, equipment, buildings, vehicles, policies, processes, and procedures. Second, a Transmission Developer Applicant can provide a detailed business implementation plan describing how it would acquire the capabilities and competencies to perform the specific project implementation tasks listed above, including plans for: (i) retaining personnel or contractors; (ii) utilizing infrastructure and resources owned and operated by an affiliate company; (iii) qualifying personnel and contractors utilized; (iv) acquiring required tools, equipment, and vehicles; (v) development of project management, engineering, material, and construction standards and practices to be followed for specific types of facilities; (vi) route and site studies (including public outreach); and (vii) procuring adequate capital to develop transmission projects.

In the event that a Transmission Developer intends to demonstrate its project implementation qualifications by obtaining the requisite capabilities and competencies by contracting with third parties, the Transmission Developer Applicant shall submit either as part of its business implementation plan or in
separate documentation an explanation of the capabilities and competencies that the Transmission Developer Applicant possesses at the time of application and those capabilities and competencies for which the Transmission Developer Applicant intends to contract in order to demonstrate its ability to satisfy the foregoing project implementation requirements for Competitive Transmission Projects. For each capability or competency that the Transmission Developer Applicant does not possess but intends to procure through contracting with third parties, the Transmission Developer Applicant shall provide a detailed contracting plan that contains a detailed description of the steps the Transmission Developer Applicant intends to take to procure needed capabilities or competencies if it is chosen as the Selected Developer for an Competitive Transmission Project.

The Transmission Developer Applicant shall not be required to have executed contracts with third parties to obtain all required capabilities or competencies at the time of application in order to prequalify as a Transmission Developer. However, the Transmission Developer Applicant bears the burden of identifying the capabilities or competencies it possesses and those for which it must contract with third parties and that the Transmission Developer Applicant has a realistic contracting plan for obtaining those capabilities.

The Transmission Developer Applicant shall include a written certification signed by an authorized representative of the Transmission Developer Applicant stating that the information in the submission is true and accurate.
VIII.B.4.2 Operations, maintenance, repair, and replacement requirements:

Transmission Developer Applicants shall submit documentation that demonstrates to the Transmission Provider that the Transmission Developer Applicant possesses or can obtain sufficient capabilities and competencies to adequately perform the following operations, maintenance, testing, inspection, repair, and replacement tasks for any Competitive Transmission Facilities associated with an Competitive Transmission Project once such facilities are in service and part of the Transmission System:

(a) Forced outage response for transmission line circuits;
(b) Forced outage response for substations;
(c) Switching for transmission line circuits;
(d) Switching for substations;
(e) Transmission line emergency repair;
(f) Substation emergency repair and testing;
(g) Transmission line preventative and/or predictive maintenance, including vegetation management;
(h) Substation preventative and/or predictive maintenance including equipment testing;
(i) Maintenance and management of spare parts, spare structures, and/or spare equipment inventories for substations and/or transmission lines, as applicable, including description of any
agreements to share spare equipment, spare parts, and/or spare structures with other transmission entities;

(j) Real-time operations monitoring and control capabilities; and

(k) Major facility replacements or rebuilds required as a result of catastrophic destruction or natural aging through normal wear and tear, including financial strategy to facilitate timely replacements and/or rebuilds.

(l) Once a Transmission Developer, the Transmission Provider may require additional demonstration of qualifications to operate, maintain, restore, test, inspect, and replace specific Competitive Transmission Facilities associated with specific Competitive Transmission Projects for a specific Request for Proposals.

There are two general methods that a Transmission Developer Applicant may use to demonstrate it will have sufficient capabilities and competencies to perform operations and maintenance services if chosen as the Selected Developer for an Competitive Transmission Project. First, Transmission Developer Applicant may provide evidence that it currently owns and/or operates and maintains electric transmission facilities by listing data, pursuant to templates developed by the Transmission Provider, regarding the transmission facilities it owns and/or operates and maintains and the infrastructure and resources it has in place to perform the operations and maintenance activities for such transmission facilities, where infrastructure and resources may include, but not necessarily be
limited to, employees, contractors, tools, equipment, buildings, spare materials and equipment, vehicles, policies, processes, and procedures. Second, a Transmission Developer Applicant can provide a detailed business implementation plan describing how it would acquire the capabilities and competencies to perform the specific operations and maintenance tasks listed above, including plans for: (i) retaining personnel or contractors; (ii) utilizing infrastructure and resources owned and operated by an affiliate company; (iii) qualifying personnel and contractors utilized; (iv) acquiring required tools, equipment, and vehicles; (v) development of maintenance standards and practices to be followed for specific types of facilities; (vi) developing standards governing where personnel, equipment, and spare parts/equipment will be maintained with respect to potential future facilities (e.g., maximum distance between facility and local office, etc.); (vii) emergency response times; and (viii) maintaining adequate capital procurement capabilities to rebuild facilities following major catastrophic outages (including property insurance and risk mitigation strategies).

In the event that a Transmission Developer Applicant intends to demonstrate its operations and maintenance, repair and replacement qualifications by obtaining the requisite capabilities and competencies by contracting with third parties, the Transmission Developer Applicant shall submit, either as part of its business implementation plan or in separate documentation, an explanation of the capabilities and competencies that the Transmission Developer Applicant possesses at the time of application and those capabilities and competencies for
which the Transmission Developer Applicant intends to contract in order to
demonstrate its ability to implement the foregoing project operation, maintenance,
repair, and replacement requirements for Competitive Transmission Projects. For
each capability or competency that the Transmission Developer Applicant does
not possess but intends to procure through contracting with third parties, the
Transmission Developer Applicant shall provide a detailed contracting plan that
contains a detailed description of the steps the Transmission Developer Applicant
intends to take to procure needed capabilities or competencies if it is chosen as the
Selected Developer for an Competitive Transmission Project.

The Transmission Developer Applicant shall not be required to have
executed contracts with third parties to obtain all required capabilities or
competencies at the time of application in order to prequalify as a Qualified
Transmission Developer. However, the Transmission Developer Applicant bears
the burden of identifying the capabilities or competencies it possesses and those
for which it must contract with third parties and that the Transmission Developer
Applicant has a realistic contracting plan for obtaining those capabilities.

The Transmission Developer Applicant shall include a written certification
signed by an authorized representative of the Transmission Developer Applicant
stating that the information in the submission is true and accurate.
VIII.B.4.3. Legal Requirements:

Transmission Developer Applicants shall submit the following information and demonstrate to the Transmission Provider that the information submitted represents an acceptable level of risk to rely on the Transmission Developer Applicant, if designated a Selected Developer, to successfully implement a Competitive Transmission Project and own and operate the associated transmission facilities once in service. The information submitted must include written certification signed by an authorized representative of the Transmission Developer Applicant stating that the submitted information is accurate:

(a) A summary of legal and/or regulatory violations during the past five (5) years or, if the Transmission Developer Applicant has been in business for less than five years, the number of years for which the Transmission Developer Applicant has been in business, by the Transmission Developer Applicant found by federal or state courts, federal regulatory agencies, state public utility commissions, other regulatory agencies, or attorneys general. This includes, but is not limited to, the Federal Energy Regulatory Commission, North American Electric Reliability Corporation Reliability Standards, Securities Exchange Commission (“SEC”) regulations, U.S. Commodity Futures Trading Commission (“CFTC”) regulations, and other applicable requirements.

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(b) A summary of any and all instances in which the Transmission Developer Applicant is currently under investigation or is a defendant in a proceeding involving an attorney general or any state or federal regulatory agency, for violation of any laws, including regulatory requirements, during the past five years or, if the Transmission Developer Applicant has been in business for less than five years, the number of years for which the Transmission Developer Applicant has been in business. The Transmission Developer Applicant shall include an affidavit signed by an authorized officer of the Transmission Developer Applicant’s company stating that the information in the submission is true and accurate and that the Transmission Developer Applicant will comply with all applicable requirements in this Tariff, the Business Practices Manuals, or other applicable Transmission Provider documents or agreements.

(c) Each Transmission Developer Applicant has an ongoing duty to provide an update to the Transmission Provider as soon as reasonably practical should there be any material changes to its (or relevant parent’s) information submitted in compliance with Section VIII.B.4.3 of Attachment FF of the Tariff after its Transmission Developer Application is submitted.
VIII.B.4.4 Financial Requirements:

Transmission Developer Applicants shall submit the following information and demonstrate to the Transmission Provider that the information submitted represents an acceptable level of risk to rely on the Transmission Developer Applicant to successfully implement a Competitive Transmission Project and own and operate the associated transmission facilities once in service. The information submitted must include written certification signed by an authorized representative of the Transmission Developer Applicant stating that the submitted information is accurate:

(a) A proposed financial plan demonstrating adequate capital resources (e.g., current assets, revolving lines, commercial paper, letter of credit, stock or bond issuance or other sources of liquidity) are available to the Transmission Developer Applicant to allow for Competitive Transmission Projects to be implemented on schedule and associated Competitive Transmission Facilities to be operated and maintained appropriately after the facilities are in service.

(b) The credit rating(s) for the Transmission Developer Applicant from Moody’s Investor Services, Inc., Standard and Poor’s Rating Group and/or other Nationally Recognized Statistical Rating Organization (“NRSRO”) as recognized by the Securities and Exchange Commission (“SEC”). Such credit rating information may pertain to a parent company in lieu of the Transmission Developer Applicant if the parent company is making a
written guarantee, which must be included with the application. A written guarantee must be in a form acceptable to the Transmission Provider. In the event the Transmission Developer Applicant is rated by more than one NRSRO, then the lowest rating will be the benchmark for consideration of demonstrating and maintaining an investment grade credit rating. For example, an investment grade rating is considered to be a rating of Baa3 or above from Moody’s Investor Services, Inc. or BBB- or above from Standard and Poor’s Rating Group (equivalent ratings will be used for other rating agencies). The focus of the review will be on the entity’s unsecured, senior long-term debt ratings (not supported by third-party enhancements). If unsecured, senior long-term debt ratings are not available, the Transmission Provider may consider Issuer Ratings.

In the event the Transmission Developer Applicant does not have an investment grade rating, the Transmission Provider will consider the other information the Transmission Developer Applicant has submitted to evaluate its financial capability to construct the transmission facility in a timely manner, and to maintain and operate it reliably for the long term. General financial information, including two years of audited financial statements with notes to the financials and a signed commitment by an authorized representative of the Transmission Developer Applicant that it is not aware of any material events or circumstances that would likely result in a material adverse weakness in financial strength throughout
project implementation of future Competitive Transmission Projects that it might be awarded after it is certified as a Transmission Developer. This information may pertain to a parent company in lieu of the Transmission Developer Applicant if the parent company is making a written guarantee, which must be included with the Transmission Developer Application. A written guarantee must be in a form acceptable to the Transmission Provider.

(d) A summary of any history of bankruptcy, dissolution, merger, or acquisition of the Transmission Developer Applicant, or any predecessors in interest for the current calendar year and the five (5) calendar years immediately preceding its submission of the application. This information must also be submitted for any parent company that is making a written guarantee to satisfy the requirements in Section VIII.B.4.4.b and VIII.B.4.4.c above in Attachment FF of the Tariff. A written guarantee must be in a form acceptable to the Transmission Provider.

(e) Each Transmission Developer Applicant has an ongoing duty to provide an update to the Transmission Provider as soon as reasonably practical should there be any material changes to its (or relevant parent’s) financial information submitted in compliance with Section VIII.B.4.4 of Attachment FF of the Tariff after its Transmission Developer Application is submitted.
VIII.B.5. Voluntary Termination of Qualified Transmission Developer Status:

A Qualified Transmission Developer that desires to voluntarily terminate its’ status as a Qualified Transmission Developer, may do so at any time by notifying the Transmission Provider. Upon such notification, the Transmission Provider will update the Qualified Transmission Developer list within thirty (30) Calendar Days of the notification. A terminated Qualified Transmission Developer may become a Qualified Transmission Developer again by following the process outlined in Section VIII.B.2 of Attachment FF of the Tariff for Transmission Developer Applicants seeking Qualified Transmission Developer status in subsequent annual qualification processes.

VIII.B.6. Confidential Treatment of Prequalification Information:

All information submitted with Transmission Developer Applications and the annual recertification submittals will be considered Confidential Information, except for the name of the organization to be posted on the Qualified Transmission Developer list, and will not be publicly posted or shared with any individual except for employees of the Transmission Provider and/or contractors of the Transmission Provider that have executed appropriate non-disclosure agreement(s).

VIII.B.7. Alternative Dispute Resolution:

Any Transmission Developer Applicant who is not approved as a Qualified Transmission Developer by the Transmission Provider may request alternative dispute resolution under Attachment HH of the Tariff within thirty (30) Calendar Days of
receiving the Transmission Provider’s written explanation detailing its determination to deny the Transmission Developer Application. Any entity that is not recertified as a Qualified Transmission Developer by MISO, or a Qualified Transmission Developer whose Qualified Transmission Developer status is terminated, may request alternative dispute resolution under Attachment HH of the Tariff within thirty (30) Calendar Days of receiving the MISO’s written explanation detailing its determination to not recertify or to terminate the entity’s Qualified Transmission Developer status.

VIII.C. REQUEST FOR PROPOSALS

Upon the Transmission Provider Board’s approval of transmission projects for inclusion in Appendix A of the MTEP, the Transmission Provider will identify whether they include any Competitive Transmission Facilities. Should projects approved in Appendix A of the MTEP contain Competitive Transmission Facilities, as identified by the Transmission Provider, the Transmission Provider will develop a separate Request for Proposals, pursuant to Section VIII.C of Attachment FF of the Tariff and the Applicable Business Practices Manuals, for each Competitive Transmission Project. If and to the extent a RFP contains any Critical Energy Infrastructure Information (CEII), the Transmission Provider will also create a redacted RFP. Redacted versions of each RFP will be posted on the Transmission Provider’s website within thirty (30) Calendar Days of the date the Transmission Provider Board approved the Competitive Transmission Facilities for inclusion in Appendix A of the MTEP. RFPs that contain Critical CEII will be available to entities and individuals that have executed the appropriate CEII and non-disclosure agreements required by the Transmission Provider. Information on how to
request the non-redacted RFP will be provided in the Redacted RFP posted on the Transmission Provider’s website. Pursuant to Section VIII.A.1 of Attachment FF of the Tariff, only Competitive Transmission Facilities eligible under state law will be included in the Competitive Transmission Project where (i) all other Competitive Transmission Facilities and (ii) upgrades as described in Section VIII.A.2 of Attachment FF of the Tariff will be assigned to the applicable incumbent Transmission Owner in accordance with the ISO Agreement.

VIII.C.1. Minimum Contents of a RFP:

Each RFP will specify, at a minimum, the following: (i) each Competitive Transmission Facility associated with the respective Competitive Transmission Project that should be included in a Proposal; (ii) the date by which Proposals must be submitted to the Transmission Provider; (iii) a list of the current transmission facility interconnection standards and requirements, established by the Transmission Owner(s) and any transmission owner(s) that are not a Member who have chosen to provide interconnection standards and requirements to the Transmission Provider, to which the Competitive Transmission Facilities will interconnect; and (iv) the minimum contents specified in Section VIII.C.1 of Attachment FF of the Tariff and the applicable Business Practices Manuals.

VIII.C.1.1 Competitive Transmission Line Facilities Requirements:

Each RFP for a Competitive Transmission Project that includes one or more Competitive Transmission Line Facilities will specify, at a minimum, the
following items for each Competitive Transmission Line Facility:

(a) Expected in-service date;

(b) Implementation schedule indicating the required steps to develop and construct the Competitive Transmission Project, including, but not limited to, all required regulatory approvals;

(c) Nominal operating voltage level in kV and voltage characteristics (i.e., three-phase AC, bipolar DC, etc.) for each transmission circuit;

(d) Terminating substations and buses for each transmission circuit;

(e) Minimum required normal and emergency load ratings for both summer and winter seasons for each transmission circuit; and

(f) Maximum allowable positive sequence impedance for each transmission circuit when determined applicable by planning studies performed by the Transmission Provider.

VIII.C.1.2 Competitive Substation Facilities Requirement:

Each RFP for a Competitive Transmission Project that includes one or more Competitive Substation Facilities will specify, at a minimum, the following information for each Competitive Substation Facility:

(a) Expected in-service date;

(b) Implementation schedule indicating the required steps to develop and construct the Competitive Transmission Project, including, but
not limited to, all required regulatory approvals;

(c) List of all transmission buses within the Competitive Substation Facility, including nominal operating voltage level in kV and voltage characteristics;

(d) List of all major equipment and facilities within the Competitive Substation Facility and associated terminating buses including power transformers, voltage regulators, phase angle regulators, series reactors, series capacitors, shunt reactors, shunt capacitors, static VAR compensators, DC converters, transmission line circuit terminals, generator terminals, and loads;

(e) Limitations on and/or requirements for bus configurations when determined applicable by planning studies performed by the Transmission Provider including required load ratings of circuit breakers, disconnects, bus sections and other load carrying equipment under alternative bus configurations;

(f) Required load ratings for all load carrying equipment and facilities identified in item (f) above;

(g) Winding connection and tap requirements for power transformers, voltage regulators, phase angle regulators and load tap changers when determined necessary by planning studies performed by the Transmission Provider;

(h) Impedance requirements for power transformers, phase angle
regulators, series reactors and series capacitors when determined necessary by planning studies performed by the Transmission Provider; and

(i) Limitations on and/or requirements for protection systems when determined applicable by a planning driver or Applicable Reliability Standard or in order to ensure a compatible interconnection with existing protection systems associated with existing transmission facilities to which the Competitive Transmission Facilities will interconnect.

VIII.C.2. Other RFP Requirements:

The Transmission Provider reserves the right to specify, if deemed necessary and/or appropriate, additional information in a RFP including, but not limited to, any additional information for specific Competitive Transmission Line Facilities and/or Competitive Substation Facilities.

VIII.D. PROPOSALS

Qualified Transmission Developers interested in competing for a Competitive Transmission Project, must submit a Proposal to the Transmission Provider. Proposals may be submitted only in response to a RFP issued by the Transmission Provider and only by entities that are listed as Qualified Transmission Developers at the time the Proposal is submitted.
VIII.D.1. **Proposal Submission Deadline:**

Proposals shall be submitted to the Transmission Provider no later than 5:00 PM EPT on the Proposal Submission Deadline. The Proposal Submission Deadline will be the date specified in the RFP which shall not exceed one hundred and eighty (180) Calendar Days from the date the RFP was issued by the Transmission Provider, unless such date falls on a Saturday, Sunday, or holiday in which case the Proposal Submission Deadline shall be the next Business Day that is not a holiday.

VIII.D.2. **Proposal Deposit:**

An initial deposit of $100,000.00 shall be submitted to the Transmission Provider, as further described in the RFP, in conjunction with the submission of each Proposal prior to the Proposal Submission Deadline. Only one (1) proposal deposit is required for each Proposal, regardless of the number of RFP Respondents and Proposal Participants involved with the Proposal.

Each deposit submitted to the Transmission Provider will be held in an interest-bearing account.

VIII.D.3. **RFP Administration and Proposal Evaluation Expenses:**

RFP Respondents shall, on a *pro rata* basis, be responsible for paying the actual costs incurred by the Transmission Provider, including the costs of the expert consultant(s) engaged to assist the Transmission Provider, in administering the Competitive Developer Selection Process for the specific RFP that the RFP Respondent(s) responded to through its Proposal submission. The Transmission Provider
will track all costs, including the Transmission Provider’s time and the costs of the expert consultant(s), in administering the Competitive Developer Selection Process for each specific RFP.

The Transmission Provider shall evaluate all Proposals submitted in response to a specific RFP together and apply each of their respective proposal deposits equally to the cost of administering the Competitive Developer Selection Process for that specific RFP, except for Proposals that were found to be deficient by the Transmission Provider and were refunded 90% of the proposal deposit under Section VIII.D.10 of Attachment FF of the Tariff. Any shortfall will be billed by the Transmission Provider on a pro rata basis to each Proposal submitted in response to the RFP. Each respective RFP Respondent(s) is responsible for paying the pro rata share allocated to its Proposal(s) within thirty (30) Calendar Days of receiving notice of such shortfall. If a RFP Respondent fails to pay the expenses allocated to any of the Proposals it submitted within sixty (60) Calendar Days of the monthly invoice remittance date, those Proposals shall be disqualified from further consideration and evaluation by the Transmission Provider. Furthermore, the RFP Respondent may lose its Qualified Transmission Developer designation at the sole discretion of the Transmission Provider as they are no longer in good standing with the Transmission Provider pursuant to Section VIII.B.4.a of Attachment FF of the Tariff.

Any funds remaining after the Transmission Provider has completed the Competitive Developer Selection Process, including the issuance of refunds to Proposals that were withdrawn pursuant to Section VIII.D.8 of Attachment FF of the Tariff or deemed deficient pursuant to Section VIII.D.10 of Attachment FF of the Tariff, will be
refunded by the Transmission Provider on a *pro rata* basis to each Proposal within seventy-five (75) Calendar Days following the designation of the Selected Proposal, including any interest actually earned on such deposits.

**VIII.D.4. Proposal Submission Format:**

Three (3) copies of each Proposal shall be submitted to the Transmission Provider prior to the Proposal Submission Deadline; two (2) copies of the Proposal shall be submitted in hard copy form and must be delivered to the address specified in the RFP no later than 5:00 PM EPT on the Proposal Submission Deadline and one (1) copy of the Proposal shall be submitted in electronic form as further specified in the RFP no later than 5:00 PM EPT on the Proposal Submission Deadline. Proposals may be submitted in one of two different forms: (i) a Single-Developer Proposal; or (ii) a Joint-Developer Proposal. The Transmission Provider will provide template(s) for Proposal submissions and RFP Respondents shall utilize the format of the proposal template(s) in submitting their Proposals. Any questions or inquiries regarding the Competitive Transmission Project, RFP, or development, submission, and evaluation of Proposals prior to Proposal Submission Deadline shall be solely directed to the Transmission Provider through the contacts listed in the RFP and not to the interconnecting incumbent Member(s).

**VIII.D.4.1. Single-Developer Proposal:**

A Single-Developer Proposal is a Proposal submitted by a single RFP Respondent that would become the sole Selected Developer for the Competitive
Transmission Project, should its Single-Developer Proposal be designated as the Selected Proposal by the Transmission Provider.

VIII.D.4.2. Joint-Developer Proposal:

A Joint-Developer Proposal is a Proposal submitted jointly by two or more RFP Respondents that would each be designated as Selected Developers for the Competitive Transmission Project, should the Joint-Developer Proposal be designated as the Selected Proposal by the Transmission Provider. The Joint-Developer Proposal shall only be submitted once to the Transmission Provider by one of the RFP Respondents. Each RFP Respondent of a Joint-Developer Proposal shall either (i) acknowledge and agree to be jointly and severally liable for all aspects of the submitted Joint-Developer Proposal; or (ii) clearly specify the aspects of the Competitive Transmission Project that each RFP Respondent will be solely liable, such that all aspects of the submitted Joint-Developer Proposal are accounted for. If at least one of the RFP Respondents does not commit to being jointly and severally liable for all aspects of the submitted Joint-Developer Proposal, the existence of any grounds that would trigger Variance Analysis, including default and termination of the Selected Developer Agreement, with respect to any one RFP Respondent shall trigger Variance Analysis of the entire Joint-Developer Proposal, pursuant to Attachment FF Section IX of the Tariff.
VIII.D.4.3. Proposal Participants:

RFP Respondents may convey an interest of the Competitive Transmission Project to one or more Proposal Participant(s) at any time, provided however that (i) the RFP Respondent(s) identified and disclosed in its Proposal the Proposal Participants to which an interest will be conveyed; (ii) RFP Participant(s) convey such an interest on substantially the same terms as disclosed in the Proposal; (iii) the Aggregate ATRR for the Competitive Transmission Project shall not exceed the Aggregate ATRR contained in the Proposal; (iv) each RFP Respondent and each Proposal Participant to which an interest will be conveyed has each executed the Joint Functional-Control Agreement and provided a written agreement committing to any applicable cost containment measures contained in the Proposal; (v) each RFP Respondent and each identified Proposal Participant has each executed the ISO Agreement, to the extent that the entity is not already a Member, but no later than the date the Competitive Transmission Facilities are energized; and (vi) each RFP Respondent and each identified Proposal Participant has listed the Competitive Transmission Facilities for which it owns or has been conveyed an ownership interest in Appendix H of the ISO Agreement (i.e. the list of transmission facilities transferred to MISO’s functional control for the purposes of planning and operation). If a Proposal identifies one or more Proposal Participants, the RFP Respondent(s) that convey such an interest shall acknowledge and agree to be responsible for all aspects of the Competitive Transmission Project, notwithstanding any default of any
Proposal Participant’s obligations, whether identified in the Proposal or under any contractual agreement(s) between the Proposal Participant and the respective RFP Respondent(s). Except as provided in Section VIII.D.5 of Attachment FF of the Tariff, the Transmission Provider shall only evaluate the capabilities and resources of the RFP Respondent(s) when evaluating a Proposal.

VIII.D.5. Proposal Content Requirements:

RFP Respondents shall submit all data and information required by the RFP, applicable Business Practices Manuals, and Tariff including, but not limited to, the items specified below in Section VIII.D.5 of Attachment FF of the Tariff. RFP Respondents may include additional data and information in the Proposal if they deem it necessary, which may be considered by the Transmission Provider in the evaluation and selection of Proposals. If and to the extent RFP Respondents are utilizing any resources, capabilities, or competencies from a parent or affiliate, those resources, capabilities, or competencies shall be clearly identified in the Proposal and the RFP Respondent shall submit an “Acknowledgement of Support” signed by an authorized agent of the parent or affiliate expected to provide such support and the RFP Respondent. An “Acknowledgement of Support” may also be provided, but is not required, from any other entity on which RFP Respondent(s) intends to rely for such support.
VIII.D.5.1. General Proposal Information:

VIII.D.5.1.1. Identification of RFP Respondents:

Each Proposal shall clearly identify each RFP Respondent involved in the Proposal and identify a primary and secondary point of contact for the Proposal that will represent the RFP Respondent(s) in any communications and actions with the Transmission Provider.

Each Joint-Developer Proposal shall clearly and specifically identify each RFP Respondent’s respective roles and responsibilities (including the respective percentage of responsibility) to finance, construct, implement, own, operate, maintain, repair, and restore the Competitive Transmission Project in such a manner that one hundred percent (100%) of the responsibilities are identified and disclosed in the Proposal. Any agreements between or among the RFP Respondents governing the division of roles and responsibilities shall also be submitted with the Proposal.

Furthermore, each RFP Respondent involved in a Joint-Developer Proposal shall include either: (i) an agreement to be jointly and severally liable for all aspects of the Joint-Developer Proposal; or (ii) clearly specify the aspects of the Competitive Transmission Project that each RFP Respondent will be solely liable, such that all aspects of the submitted Joint-Developer Proposal are accounted for. If at least one of the RFP Respondents does not commit to being jointly and severally liable for all aspects of the Joint-Developer Proposal, the existence of any grounds that would trigger Variance Analysis, including default...
and termination of the Selected Developer Agreement, with respect to any one RFP Respondent shall trigger Variance Analysis of the entire Joint-Developer Proposal, pursuant to Attachment FF Section IX of the Tariff.

**VIII.D.5.1.2. Identification of Proposal Participants:**

Each Proposal shall clearly identify whether the RFP Respondent(s) plan to convey an interest of the Competitive Transmission Project to one or more Proposal Participant(s). If a RFP Respondent contemplates any conveyance of interest of the Competitive Transmission Project to one or more Proposal Participant(s), it shall clearly and specifically (i) identify each Proposal Participant in the Proposal; (ii) identify the type and amount of any conveyed interest in the Proposal; (iii) provide any agreements between or among the RFP Respondent and the Proposal Participants regarding the conveyed interest in the Competitive Transmission Project; (iv) provide a written commitment from the RFP Respondent and each Proposal Participant to execute the Joint Functional-Control Agreement; (v) disclose the expected timing of any such transfer of ownership or interest; (vi) provide a written agreement from the RFP Respondent and each Proposal Participant to execute the ISO Agreement, to the extent that the entity is not already a Member, but no later than the date the Competitive Transmission Facilities are energized, should the Transmission Provider designate the proposal as the Selected Proposal; and (vii) the RFP Respondent’s written agreement to be responsible for all aspects of the Competitive Transmission
Project notwithstanding, any default of any Proposal Participant’s obligations, whether identified in the Proposal or under any contractual agreement(s) between the Proposal Participant and the respective RFP Respondent(s).

VIII.D.5.2. **Project Implementation Schedule:**

Each Proposal shall contain a detailed project implementation schedule, driven by the required in-service date, for each Competitive Transmission Facility contained in the Competitive Transmission Project which shall include proposed schedules for route and site evaluation, regulatory permitting, land acquisition, engineering and design, land surveying, material procurement, construction, and commissioning/energization for all Competitive Transmission Facilities.

VIII.D.5.3. **Project Cost Estimate:**

Each Proposal shall contain a detailed project cost-estimate, based upon the reasonably descriptive facility design submitted in the Proposal, for each Competitive Transmission Facility in the Competitive Transmission Project. The cost-estimates developed by the Transmission Provider during the transmission planning process and utilized for project approval should be considered by RFP Respondents for informational purposes only and are not guaranteed to be accurate or complete in all respects. RFP Respondents shall create and rely on their own cost calculations when submitting Proposals.
VIII.D.5.4. **Estimated Annual Transmission Revenue Requirements:**

Each Proposal shall contain separate estimated annual transmission revenue requirements for each RFP Respondent and Proposal Participant involved with the Proposal beginning in the year costs would first be recovered under Attachment MM or Attachment GG (including any authorization to collect Construction Work In Progress (“CWIP”) in ratebase or pass-through pre-commercial expenses on a current basis), through the first forty (40) years that the Competitive Transmission Facilities included in the Competitive Transmission Project will be in service, in accordance with Attachment MM of the Tariff for Multi Value Projects and Attachment GG of the Tariff for Market Efficiency Projects, including the supporting detail on the annual allocation factors for operations and maintenance, general and common depreciation expense, taxes other than income taxes, income taxes, and return used to estimate the annual revenue requirements.

If the Proposal involves more than one RFP Respondent or any Proposal Participants, the Proposal shall also include an estimated Aggregate ATRR beginning in the year costs would first be recovered under Attachment MM or Attachment GG (including any authorization to collect CWIP in ratebase or pass-through pre-commercial expenses on a current basis), through for the first forty (40) years the Competitive Transmission Facilities included in the Competitive Transmission Project will be in service representing the combined effect of each RFP Respondents’ and Proposal Participants’ individual annual transmission revenue requirements.
VIII.D.5.5. Binding Cost-Caps:

Each Proposal shall contain information and details regarding any binding cost-caps that may be offered as part of the Proposal. If any binding cost-caps are submitted as part of the Proposal, each RFP Respondent and Proposal Participant submitting such binding cost-cap shall also provide a draft term sheet or agreement that clearly describes in detail the nature of the cost-cap being proposed, including all exclusions, exceptions, conditions, enforcement mechanisms, interaction with change orders, and such other information as is specified in the applicable Business Practices Manuals, as part of the Proposal submittal.

VIII.D.5.6. Binding Cost-Containment:

Each Proposal shall contain information and details regarding any binding cost-containment measures that may be offered as part of the Proposal. If any binding cost-containment measures are submitted as part of the Proposal, each RFP Respondent and Proposal Participant submitting such binding cost-containment measures shall also provide a draft term sheet or agreement that clearly describes in detail the nature of the cost-containment measures being proposed, including all exclusions, exceptions, conditions, enforcement mechanisms, interaction with change orders, and such other information as is specified in the applicable Business Practices Manuals, as part of the Proposal submittal.
VIII.D.5.7. Financial Information:

Each Proposal shall include a detailed financing plan for the Competitive Transmission Project. The financing plan must contain information pertaining to the following elements, as further explained in the applicable Business Practices Manuals:

1) A description of capital resources available to fund Competitive Transmission Project implementation costs, which demonstrate that the RFP Respondent(s) can procure capital to fund at least one hundred percent (100%) of expected project implementation costs, including any contingencies projected by the RFP Respondent(s) to show an ability to cover risks associated with foreseeable cost overruns.

For each funding source the RFP Respondent(s) shall provide a description of how much capital is available, when the funds will be obtained, and what conditions must to be met to secure the funds. At a minimum, the RFP Respondent(s) shall identify each funding source by type with a brief description and state the costs for each funding sources. If the cost of funds information is not known at the time the RFP Response is submitted, the RFP Respondent(s) may submit a range or estimate and describe the limitations that prevent this information from being provided.

2) An exhibit or a high-level narrative description of the expected cash flows between the RFP Respondent(s) and the funding sources sufficient to explain the timing, form and volume of cash flows expected between each RFP Respondent and the identified funding sources.
3) An overview schedule of significant expenditures for project implementation sufficient to demonstrate that funds will be available when needed for significant expenditures.

4) A description of immediately available funds, that the RFP Respondent(s) shall have access to in order to address unforeseen contingencies that arise during project implementation.

5) Information describing the RFP Respondent’s plan to obtain Project Financial Security within the timeframe required by the Selected Developer Agreement in sufficient detail to demonstrate that the RFP Respondent(s) reasonably expect(s) to be able to satisfy this requirement if selected as the Selected Developer.

6) In the event that an RFP Respondent intends to rely on personnel, material, technical, financial, and/or other resources from a parent or affiliate in its Proposal, the RFP Respondent shall provide an Acknowledgment of Support executed by such parent or affiliate, which lists the personnel, material, technical, financial, and/or other resources that the RFP Respondent(s) desire(s) the Transmission Provider to consider in evaluating the Proposal to demonstrate that such parent or affiliate is aware of the RFP Respondent’s reliance on such parent or affiliate’s resources and will make such resources available if the RFP Respondent’s Proposal is selected.

7) The credit ratings, if applicable, of the RFP Respondent and any parent or affiliate providing an Acknowledgment of Support and general financial information including audited financial statements and notes for the RFP Respondent and any
parent or Affiliate providing an Acknowledgment of Support, as well as pro forma financial statements for each calendar year until the RFP Respondent(s) expect(s) to place all project facilities into service.

8) The RFP Respondent’s financial strategy to facilitate timely replacements and rebuilds for the life of the project to demonstrate that it reasonably can be relied upon to address catastrophic destruction and normal wear and tear.

VIII.D.5.8. **Reasonably Descriptive Design:**

Each Proposal shall contain a reasonably descriptive facility design for each Competitive Transmission Facility included in the Competitive Transmission Project. Reasonably descriptive facility designs represent descriptions of the core attributes and features of a design, not the detailed engineering and design calculations and documents.

VIII.D.5.8.1. **Design for Competitive Transmission Line Facilities:**

For each Competitive Transmission Line Facility, reasonably descriptive facility design proposals must include, at a minimum, the following:

(a) The estimated length of the Competitive Transmission Line Facility in miles and the basis for the estimate;

(b) The proposed conductor type, size, and, if applicable, bundling configuration;

(c) The proposed default or typical structure design attribute(s) (e.g., steel vs. wood vs. aluminum vs. concrete, monopole vs. H-frame vs. lattice, single circuit vs. double circuit, self-supporting vs. self-supporting with or without guy wires, etc.).
guyed, structural calculation assumptions, etc.) to be used for
tangent, running angle, in-line dead-end, and angle dead-end
structures when feasible and/or for the majority of the Competitive
Transmission Line Facilities;

(d) The estimated positive sequence line impedance and pi-equivalent
shunt susceptance;

(e) The calculated normal and emergency seasonal thermal loading
ratings, including the basis for such calculations;

(f) The proposed type of lightning protection system to be used when
feasible and/or for the majority of the Competitive Transmission
Line Facilities (e.g., shield wires vs. surge arresters, etc.) and key
attributes (e.g., shielding angle, arrester location and type, etc.);

(g) The proposed grounding method to be used when feasible and/or
for the majority of the Competitive Transmission Line Facilities
(e.g., ground rods only, counterpoise, etc.) and key attributes (e.g.,
targeted structure footing grounding resistance, etc.);

(h) The proposed method to address or mitigate adverse impacts of
galloping conductors and/or Aeolian vibration, if any (e.g.,
Stockbridge dampers, special conductors, etc.);

(i) The continuous rating of any load carrying switchgear installed on
the Competitive Transmission Line Facilities; and
(j) The assumed communications systems to be used for the Competitive Transmission Line Facilities to facilitate protective relaying (e.g., fiber optic, power line carrier, microwave, etc.).

VIII.D.5.8.2. Design for Competitive Substation Facilities:

For each Competitive Substation Facility, reasonably descriptive facility design proposals shall include, at a minimum, the following:

(a) A detailed one-line diagram;

(b) The proposed protection systems including protection schemes, any anticipated interaction with existing/other facilities and conceptual protection system design (including backup protection systems, if applicable). Remote system monitoring capability shall be described with major features listed (redundancy, monitored parameters, etc.);

(c) The detailed specifications for proposed power transformers;

(d) A description of other substation equipment items, including load ratings, voltage ratings, fault interrupting ratings, tap data, and impedances as applicable, where other substation equipment includes, but is not limited to, bus sections, circuit breakers, circuit switchers, switches, disconnects, regulating transformers, station service transformers, series and shunt capacitors, series and shunt reactors, static VAR compensators, DC conversion equipment,
instrument transformers (metering and relaying), wave traps, and surge arresters;

(e) The proposed line terminal ratings and basis for calculation, including limiting element;

(f) The basis for load rating calculations on any equipment where nameplate continuous ratings are not used; and

(g) A description of the communication system for remote monitoring, control and data acquisition facilities, including monitoring and control points.

VIII.D.5.8.3. Additional reasonably descriptive facility design data:

A RFP may require submission of additional facility design data when deemed necessary by the Transmission Provider. Proposals may also include additional facility data when deemed necessary by RFP Respondents, including but not limited to, optional facility design data listed in the Business Practices Manuals, which may be considered by the Transmission Provider in the evaluation and selection of Proposals.

VIII.5.9. Project Implementation:

Each Proposal shall contain a description of existing and/or planned project implementation capabilities, relative to the applicable locations and jurisdictions where
the Competitive Transmission Facilities will be located, to be used by the RFP Respondent(s) to perform, at a minimum, the following tasks:

(a) Project management;
(b) Routing/siting evaluation studies for Competitive Transmission Facilities;
(c) Regulatory permitting;
(d) Right-of-way and land acquisition for Competitive Transmission Facilities;
(e) Engineering and surveying required for Competitive Transmission Facilities;
(f) Material procurement for Competitive Transmission Facilities;
(g) Construction of Competitive Transmission Facilities; and
(h) Commissioning/energization of Competitive Transmission Facilities.

VIII.D.5.9.1. Additional Project Implementation Capabilities Data:

A RFP may require the submission of additional data, when deemed necessary by the Transmission Provider, related to the policies, processes, methods, capabilities, experience, and past performance the RFP Respondent(s) Proposals may also include additional information regarding project implementation capabilities when deemed necessary by RFP Respondents, including but not limited to, existing capabilities and past experience regarding project implementation, which may be considered by the Transmission Provider in the evaluation and selection of Proposals.
VIII.D.5.10. Operations and Maintenance:

Each Proposal shall contain a description of existing and/or planned operations, maintenance, repair, and replacement capabilities to be used by the RFP Respondent(s) to perform, at a minimum, the following tasks relative to the locations and applicable jurisdictions where the Competitive Transmission Facilities will be located:

(a) Forced outage response for transmission line circuits and substations, as applicable;

(b) Switching for transmission line circuits and substations, as applicable;

(c) Emergency repair and testing for transmission line circuits and substations, as applicable;

(d) Preventative and/or predictive maintenance for transmission line circuits and substations, including vegetation management and equipment testing, as applicable;

(e) Maintenance and management of spare parts, spare structures, and/or spare equipment inventories for substations and/or transmission lines, as applicable, including description of any agreements to share spare equipment, spare parts, and/or spare structures with other transmission entities;

(f) Real-time operations monitoring and control capabilities, if the Competitive Transmission Project contains one or more Competitive Substation Facilities; and
(g) Major facility replacements or rebuilds required as a result of catastrophic destruction or natural aging through normal wear and tear, including financial strategy to facilitate timely replacements and/or rebuilds.

VIII.D.5.10.1. Local Balancing Authority:

Each Proposal shall contain a description regarding the RFP Respondent’s plan for incorporating the Competitive Transmission Facilities into a Local Balancing Authority Area.

VIII.D.5.10.2. Other Operations and Maintenance Capabilities Data:

A RFP may require the submission of additional data related to the policies, processes, methods, capabilities, experience, and past performance of the RFP Respondents regarding operations, maintenance, repair, and replacement when deemed necessary by the Transmission Provider.

Proposals may also include additional information regarding operations, maintenance, repair, and replacement capabilities when deemed necessary by RFP Respondents, including but not limited to, existing capabilities and past experience regarding operations, maintenance, repair and replacement, which may be considered by the Transmission Provider in the evaluation and selection of Proposals.
VIII.D.5.11. Modeling Data:

Each Proposal shall contain modeling data files for all proposed Competitive Transmission Facilities included in the Competitive Transmission Project, as further outlined in the applicable Business Practices Manuals and RFP including, at a minimum, electronic data files necessary to:

(a) Model the Competitive Transmission Facilities included in the Competitive Transmission Project in power flow and short-circuit models; and

(b) Model new contingencies associated with the Competitive Transmission Facilities included in the Competitive Transmission Project.

VIII.D.5.12. Participation in the Transmission Planning Process:

While not required, RFP Respondents and Proposal Participants who desire to have such participation considered in the evaluation of their Proposal(s) shall include in their Proposal(s) documentation regarding relevant planning studies performed by the RFP Respondents or Proposal Participants and the results supplied to the Transmission Provider during the planning process, as well as documentation on past transmission project ideas submitted by the RFP Respondents or Proposal Participants to the Transmission Provider to address the same Transmission Issues being addressed by the Competitive Transmission Project for which the Proposal(s) is/are being submitted.
VIII.D.5.13. Disclosure of Assignments or Potential Assignments:

Proposals shall include a declaration whether or not the RFP Respondent(s) will seek to assign the Competitive Transmission Facilities, Competitive Transmission Project, or Selected Developer Agreement pursuant to Article 14 of the pro forma Selected Developer Agreement.

VIII.D.5.14. Proposal Attestation:

Each RFP Respondent shall include an affidavit as part of the Proposal submission, signed by an officer of its organization, attesting that: (i) it understands that the Transmission Provider’s evaluation of Proposals and designation of a Selected Proposal is governed by the Tariff and the Business Practices Manuals; (ii) it agrees to be bound by the Tariff and to follow the applicable Business Practices Manuals; (iii) it has submitted the Proposal in good faith; (iv) the information submitted by the organization in the Proposal is true to the best of the RFP Respondent’s knowledge and belief; (v) it has complied with all Applicable Laws, and Regulations and Good Utility Practice in preparing the Proposal; and (vi) if selected, the Respondent agrees to be bound by its Proposal. Furthermore, each Proposal Participant shall include an affidavit as part of the Proposal signed by an officer of its organization attesting that: (i) its Aggregate ATRR and any required financial information about it that has been submitted by the organization is true to the best of the Proposal Participant’s knowledge and belief; and (ii) either (a) that it agrees to execute the ISO Agreement and identify the Competitive Transmission Facilities associated with the Competitive Transmission Project in
Appendix H of the ISO Agreement prior to closing on its conveyed interest should the Transmission Provider designate the Proposal as the Selected Proposal; or (b) prior to such closing it will demonstrate that it has already executed the ISO Agreement and it agrees to identify the Competitive Transmission Facilities associated with the Competitive Transmission Project in Appendix H of the ISO Agreement.

VIII.D.6. Additional Data Requests:

If, during the evaluation of Proposals, the Transmission Provider determines that additional information is required to evaluate the Proposals, the Transmission Provider will request, in writing, the additional data from all RFP Respondents, along with the timeframe that this data must be submitted. If the additional data is not submitted within the specified timeframe, the Proposal be deemed invalid and will not be evaluated or considered further by the Transmission Provider. This timeframe shall not be less than ten (10) Business Days from when the Transmission Provider issues the additional data request. This data request will not extend the evaluation timeframe defined in Section VIII.E.2 of Attachment FF of the Tariff.

VIII.D.7. Proposal Clarifications:

The Transmission Provider will have the right, but not the obligation, during the Competitive Developer Selection Process described in Section VIII of Attachment FF of the Tariff, to request a RFP Respondent(s) to provide clarifications to its submitted Proposal(s). The RFP Respondent(s) shall be responsible for any clarifications the
Transmission Provider requires that relates to the Proposal Participants. In the event the RFP Respondent agrees to provide said clarification(s), the RFP Respondent shall provide said clarification(s) within five (5) Business Days of the Transmission Provider’s request. If the Transmission Provider accepts the RFP Respondent’s clarification(s), said clarification(s) shall immediately become a part of the submitted Proposal; or upon the Transmission Provider’s request, the RFP Respondent shall immediately update its Proposal to reflect the accepted clarification(s). In the event that the RFP Respondent declines to provide the requested clarification(s), the Transmission Provider shall evaluate the Proposal without clarification.

VIII.D.8. Withdrawing Submitted Proposals:

Prior to the Proposal Submission Deadline, a RFP Respondent may withdraw a Proposal that was submitted to the Transmission Provider by informing the Transmission Provider as soon as practical in writing. Any deposits submitted to the Transmission Providers associated with the withdrawn Proposal will be returned in full and the withdrawn Proposal will not be considered or evaluated by the Transmission Provider.

A RFP Respondent may withdraw its submitted Proposal after the Proposal Submission Deadline by informing the Transmission Provider in writing, as soon as practical, but no later than such time that the Transmission Provider publicly announces the Selected Proposal for the RFP. Upon receiving a withdrawal notification, the Transmission Provider will stop its evaluation and consideration of the Proposal. A withdrawn Proposal will not relieve the RFP Respondent from its obligations of the pro
rata costs associated with the full evaluation period nor will the RFP Respondent be afforded any refund other than those funds remaining once the Competitive Developer Selection Process has been completed for the RFP.

VIII.D.9. Confidential Treatment of Proposals:

The Transmission Provider will treat information and documents, or portions of documents, received from RFP Respondents and/or Proposal Participants, whether received as Part of a Proposal, a response to a request for clarification or additional information pursuant to Sections VIII.D.6 and VIII.D.7 of this Attachment FF, or otherwise, as either Project confidential information pursuant to Section VIII.D.9.a, or non-confidential information pursuant to Section VIII.D.9.b, as set forth below.

VIII.D.9.a Confidential Information:

Except as provided in Section VIII.D.9.d, the Transmission Provider will not, without the prior written consent of the respective RFP Respondent and/or the Proposal Participant, publicly disclose or share any of the following confidential information with any individual except for employees of the Transmission Provider or an independent contractor of the Transmission Provider who require access to such information to perform their duties and have executed the Transmission Provider’s non-disclosure and/or CEII agreement:

(i) All detailed breakdowns of costs, including but not limited to, the itemized costs for labor and materials;
(ii) All details of an RFP Respondent and/or Proposal Participant’s financing arrangements;

(iii) All detailed design, routing, siting, or specialty construction techniques; and

(iv) Any other information or portions of documents that are clearly labeled and specifically designated as "CONFIDENTIAL," except for: (1) the items specified in Section VIII.D.9.b of this Attachment FF; and (2) information and/or items which the Transmission Provider is otherwise required to make publically available.

VIII.D.9.b Non-Confidential Information:

The following categories of information shall not be considered confidential or maintained as Confidential Information:

(i) The identity of RFP Respondents and Proposal Participants;

(ii) The high-level design for Competitive Transmission Facilities;

(iii) The total estimated cost of the Competitive Transmission Project;

(iv) The estimated forty (40) year Annual Transmission Revenue Requirement ("ATRR");

(v) Information relating to any cost-containment measures, cost-caps, and rate-incentives;

(vi) Information regarding the proposed in-service dates of the Competitive Transmission Facilities;
(vii) The final evaluation score assigned to each Proposal, with the names of the RFP Respondents and Proposal Participants redacted or masked;

(viii) All timetables and milestones agreed to between a Selected Developer(s) and the Transmission Provider in the Selected Developer Agreement;

(ix) All publically available information;

(x) Any information for which a RFP Respondent or Proposal Participant has provided consent to release; and

(xi) Any information the Transmission Provider is required to make publically available pursuant to Section VIII.D.9.d of this Attachment FF.

VIII.D.9.c Use of Non-Confidential Information—Post-Evaluation Report:

The Transmission Provider may use the non-confidential information of RFP Respondents and Proposal Participants to prepare the public post-evaluation selection report for a Competitive Transmission Project required by Section VIII.E.2 of this Attachment FF as is reasonably necessary to explain the basis for the Transmission Provider’s selection of a Selected Developer. In all cases, the Confidential Information and non-confidential information that was not disclosed in the post-evaluation selection report shall not otherwise be disclosed by the Transmission Provider except as required by Section VIII.D.9.d of this Attachment FF.

i. Use of Selected Developer Non-Confidential Information

The Transmission Provider may use the non-confidential information of the RFP Respondent(s) and Proposal Participants whose Proposal is selected to prepare a post-evaluation selection report that explains the basis for the Transmission Provider’s
selection of the Selected Proposal pursuant to the comparative analysis required by Sections VIII.E, VIII.E.1, VIII.E.1.1, VIII.E.1.2, VIII.E.1.3, and VIII.E.1.4 of this Attachment FF to the Tariff. The Transmission Provider may use such information to the extent reasonably necessary to explain why the selection of the Selected Proposal is proper based on the comparative analysis required by the Tariff, including discussions of features of the Selected Proposal that the Transmission Provider determined to be important in selecting the Selected Proposal.

ii. Use of Non-Confidential Information of RFP Respondents and Proposal Participants whose Proposals are Not Selected

The Transmission Provider may disclose the non-confidential information of RFP Respondents and Proposal Participants whose Proposals were not selected as the Selected Proposal only to the extent reasonably necessary to explain why the selection of the Selected Proposal is proper based on the comparative analysis required by Sections VIII.E, VIII.E.1, VIII.E.1.1, VIII.E.1.2, VIII.E.1.3, and VIII.E.1.4 of this Attachment FF to the Tariff. The Transmission Provider may disclose the non-confidential information contained in Section VIII.D.9.b(i) and VIII.D.9.b(ix)-(x) without masking the identity(ies) of the entity(ies) to whom such non-confidential information pertains. The Transmission Provider may disclose the non-confidential information contained in Section VIII.D.9.b(ii)-(viii) for RFP Respondents and Proposal Participants whose Proposals were not selected as the Selected Proposal but must mask the identities of such parties, either through aggregation or the redacting of names, as appropriate for comparative purposes.
VIII.D.9.d Other Disclosures of Proposal Information:

The Transmission Provider will disclose any information submitted in Proposals or in response to a request for clarifications and or additional information, whether confidential or non-confidential, that it is otherwise required by or subject to another Tariff provision, Commission rule or order, or court order, or as ordered by state or federal agencies.

VIII.D.10. Proposal Validation – Review for Completeness:

Upon receipt of a Proposal, the Transmission Provider will review the Proposal for completeness and validate whether the RFP Respondent(s) is/are listed as a Qualified Transmission Developer. Within thirty (30) Calendar Days of the Proposal Submission Deadline, the Transmission Provider will notify each RFP Respondent if their Proposal is incomplete or requires additional information to satisfy one or more of the requirements specified in the Tariff, applicable Business Practices Manuals, or applicable RFP. Except when any of the RFP Respondents involved in a Proposal were not listed as a Qualified Transmission Developer on the date the Proposal was submitted, the RFP Respondent(s) will have a single Proposal Cure Period of ten (10) Business Days from the date of such notification to submit the requested information to cure any deficiencies in their Proposal. Proposals that are not complete at the end of the Proposal Cure Period will be deemed invalid and will not be evaluated or considered further by the Transmission Provider. Such Proposals will be refunded ninety percent (90%) of the initial proposal deposit specified in Section V.III.D.2 of Attachment FF of the
Tariff, if such initial proposal deposit was submitted to the Transmission Provider. Proposals that include a RFP Respondent that was not listed as a Qualified Transmission Developer on the date the Proposal was submitted will also be deemed invalid and will not be evaluated or considered further by the Transmission Provider. The Transmission Provider will provide a written explanation to RFP Respondents identifying why the Proposal has been disqualified.

VIII.D.11. Posting List of Completed Proposals:

The Transmission Provider will post a list of the completed Proposals submitted in response to an issued RFP on its website at the end of the Proposal Cure Period.
VIII.D.12. **RFP Respondent’s Qualified Transmission Developer status:**

RFP Respondents are required to maintain their status as a Qualified Transmission Developer throughout the duration of the Competitive Developer Selection Process. In the event that the Transmission Provider determines that an RFP Respondent has ceased to be a Qualified Transmission Developer, the Transmission Provider shall send a written notice of such fact to the RFP Respondent, which notice shall state the reason(s) for loss of Qualified Transmission Developer status. The RFP Respondent shall have thirty (30) Calendar Days from the Transmission Provider’s notification of loss of Qualified Transmission Developer status to remove the grounds for such loss of status. Any Proposal involving a RFP Respondent that ceases to be a Qualified Transmission Developer will be deemed invalid and will not be evaluated or considered further by the Transmission Provider if such failure remains uncured more than thirty (30) Calendar Days from the date of the notice to the RFP Respondent. A Proposal shall not be deemed invalid if the RFP Respondent cures the loss of Qualified Transmission Developer status within the thirty (30) Calendar Day period. The Transmission Provider will provide a written explanation to RFP Respondents identifying why the Proposal has been disqualified.

VIII.E. **EVALUATION OF PROPOSALS**

The Transmission Provider will have one hundred and eighty (180) Calendar Days from the Proposal Submission Deadline to evaluate all completed Proposals. Only those Proposals that were submitted prior to the Proposal Submission Deadline and cured of any deficiencies pursuant to Section VIII.D.10 of Attachment FF of the Tariff and otherwise have not been
withdrawn or deemed invalid will be evaluated by the Transmission Provider based on a comparative analysis using the evaluation criteria below and as further described in the Business Practices Manuals and applicable RFP. Specific methods used to evaluate various aspects of a Proposal shall be described in the Business Practices Manuals. This comparative analysis evaluation will be conducted by Transmission Provider and/or independent consultants competent in the areas of finance, transmission facility design, transmission project implementation, and transmission operations, maintenance, repair, and replacement. In conducting the comparative analysis evaluation of Proposals, the Transmission Provider and any independent expert consultants will be overseen by the Executive Oversight Committee, which will have the exclusive and final authority to determine Selected Proposal. The Transmission Provider may decline to accept any or all Proposals that do not meet the Tariff’s requirements for the project classification in question or will not sufficiently address the Transmission Issue(s) the RFP was intended to address. If no Proposals are received from Qualified Transmission Developers or selected by the Transmission Provider, the Competitive Transmission Project will be assigned to the applicable Member(s), as defined below:

(a) Ownership and the responsibility to construct facilities which are connected to a single Member’s system belong to that Member;

(b) Ownership and the responsibilities to construct facilities which are connected between two (2) or more Members’ facilities belong equally to each Member, unless such Members otherwise agree; and

(c) Ownership and the responsibility to construct facilities which are connected between a Member(s)’ system and a system or systems that are not part of the
Transmission Provider belong to such Members(s) unless the Member(s) and the non-Transmission Provider party or parties otherwise agree.

VIII.E.1. Proposal Evaluation Criteria:

In evaluating Proposals, the Transmission Provider will consider the following general aspects and weighting to each Competitive Transmission Facility evaluated:

(a) Competitive Transmission Line Facilities:

The following weights will be applied to Competitive Transmission Line Facilities criteria:

(i) Cost and reasonably descriptive facility design quality: 30%

(ii) Project implementation capabilities: 35%

(iii) Operations, maintenance, repair, and replacement capabilities: 30%

(iv) Transmission Provider planning process participations: 5%

(b) Competitive Substation Facilities:

The following weights will be applied to Competitive Substation Facilities criteria:

(i) Cost and reasonably descriptive facility design quality: 30%

(ii) Project implementation capabilities: 30%
(iii) Operations, maintenance, repair, and replacement capabilities:

35%

(iv) Transmission Provider planning process participations: 5%

VIII.E.1.1. **Cost and Reasonably Descriptive Facility Design:**

When considering cost and reasonably descriptive facility design quality, the Transmission Provider shall evaluate, at a minimum, the following:

(a) Estimated project cost for each Competitive Transmission Facility;

(b) Estimated annual transmission revenue requirements for all Competitive Transmission Facilities included in the Competitive Transmission Proposal;

(c) Description of capital resources available to fund project costs as they arise;

(d) Cost estimate rigor, which shall include financial assumptions and supporting information to clearly demonstrate a thorough analysis in support of the cost estimate;

(e) Reasonably descriptive facility design quality; and

(f) Reasonably descriptive facility design rigor, which shall include facility studies performed and other specific supporting data that clearly documents and supports consideration and attention given to the proposed reasonably descriptive facility designs.
VIII.E.1.2. Project Implementation Capabilities:

When considering project implementation capabilities, the Transmission Provider shall evaluate, at a minimum, the existing or planned capabilities, competencies, and processes regarding the following project implementation categories relative to the locations and jurisdictions where the Competitive Transmission Facilities associated with the Competitive Transmission Project are to be located as well as the strength of the project implementation capabilities, including financial measures, demonstrated in the prequalification process to qualify the RFP Respondent(s) as a Qualified Transmission Developer:

(a) Project management;
(b) Route and site evaluation;
(c) Land acquisition;
(d) Engineering and surveying;
(e) Material procurement;
(f) Facility construction;
(g) Final facility commissioning; and
(h) Previous applicable experience and demonstrated ability.

VIII.E.1.3. Operations, Maintenance, Repair, and Replacement Capabilities:

When considering operations, maintenance, repair and replacement capabilities, the Transmission Provider shall evaluate, at a minimum, the existing
or planned capabilities, competencies, and processes regarding the following operations and maintenance categories relative to the locations and jurisdictions where the Competitive Transmission Facilities associated with the Competitive Transmission Project are to be located as well as the strength of the operation and maintenance capabilities demonstrated in the prequalification process to qualify the RFP Respondent(s) as a Qualified Transmission Developer, as applicable, based on the types of facilities included in the RFP:

(a) Forced outage response;
(b) Switching;
(c) Emergency repair and testing;
(d) Spare parts;
(e) Preventative and/or predictive maintenance and testing;
(f) Real-time operations monitoring and control; and
(g) Major facility replacement capabilities, including ongoing financial capabilities to restore facilities after catastrophic outages.

VIII.E.1.4. Transmission Provider Planning Process Participation:

When considering participation in the Transmission Provider’s transmission planning process, the Transmission Provider will consider relevant planning studies conducted by the RFP Respondents or Proposal Participants and the associated results supplied to the Transmission Provider during the planning process, as well as the transmission project ideas submitted by the RFP
Respondents or Proposal Participants as potential solutions to address the same Transmission Issue(s) being addressed by the Competitive Transmission Project for which the Proposal(s) is/are being submitted the Proposal(s) is/are being submitted.
VIII.E.2. **Proposal Selection and Posting Selection Report:**

The Transmission Provider will post the name of the Selected Developer(s) on its website within one hundred and eighty (180) Calendar Days of the Proposal Submission Deadline. Within thirty (30) Calendar Days after the designation of a Selected Proposal and the Selected Developer(s) for a Competitive Transmission Project, the Transmission Provider will post on its website a report in which it explains the basis for designating the Selected Proposal and Selected Developer(s) for each Competitive Transmission Project. The report will set forth the results of the comparative analysis undertaken by the Transmission Provider, the basis for Transmission Provider’s decision(s), and the date(s) by which state approval(s) to construct must be achieved based upon when construction must begin to timely meet the Transmission Issue(s) to be addressed by the Competitive Transmission Project and taking into account the project implementation schedule(s) provided by the Selected Developer(s) in its Selected Proposal.

VIII.E.3. **Proposal Selection Dispute Resolution:**

Any disputes regarding the developer selection will be referred to the Dispute Resolution Process under Attachment HH of this Tariff.

VIII.F. **SELECTED DEVELOPER AGREEMENT**

RFP Respondents identified in a Selected Proposal shall execute the *pro forma* Selected Developer Agreement, or request the submission of an unexecuted Selected Developer Agreement with the Commission, no later than sixty (60) Business Days after the Transmission
Provider posted the name of the Selected Developer(s) on its website. The Selected Developer Agreement establishes the terms and conditions under which the Selected Developer will construct and implement the Competitive Transmission Facilities specified in its Selected Proposal. The Selected Developer Agreement shall be executed by the Selected Developer and the Transmission Provider, by an authorized officer or equivalent official with the authority to bind their respective organizations. The Selected Developer(s) for each Competitive Transmission Project, including where the Selected Developer is a Member, will be required to sign the Selected Developer Agreement or request it be submitted unexecuted with the Commission. All executed Selected Developer Agreements that conform to the pro forma template in Appendix 1 of Attachment FF of the Tariff, will be reported to the Commission in the Transmission Provider’s next Electronic Quarterly Report. Any request to file the Selected Developer Agreement unexecuted shall be filed with the Commission, together with an explanation of any matters as to which the Selected Developer and the Transmission Provider disagree, as soon as practicable, but no later than fifteen (15) Business Days after receiving the request to file the Selected Developer Agreement unexecuted. An unexecuted Selected Developer Agreement should contain terms and conditions deemed appropriate by the Transmission Provider for the Competitive Transmission Project. If the Selected Developer and the Transmission Provider agree to proceed with design, procurement, and construction of the Competitive Transmission Project under the agreed-upon terms of the unexecuted Selected Developer Agreement, they may proceed pending Commission action.
If the Selected Developer Agreement contains information determined to be confidential pursuant to Section VIII.D.9 of Attachment FF of the Tariff, the Transmission Provider will post and/or file publicly only a redacted version of the Selected Developer Agreement.

VIII.G. OBLIGATION TO CONSTRUCT COMPETITIVE TRANSMISSION PROJECT

The Selected Developer(s) will assume the responsibility and obligation to construct the Competitive Transmission Facilities it is selected to construct. If the Selected Developer(s) is/are financially incapable of carrying out its construction responsibilities, alternate construction arrangements shall be identified. Depending on the specific circumstances, such alternate arrangements shall include solicitation of Transmission Owners to take on financial and/or construction responsibilities. If the delay in construction adversely affects the Transmission System reliability, the Transmission Provider shall coordinate with and support the affected Transmission Owner(s) regarding any mitigation measures that may be required by the Applicable Reliability Standards.

However, in the event that a MTEP Appendix A Competitive Transmission Project approved by the Transmission Provider Board is being challenged through the Dispute Resolution process under Attachment HH of the Tariff or a court proceeding, the obligation of the Selected Developer(s) to build the specific Competitive Transmission Project (subject to required approvals) is waived until the Competitive Transmission Project emerges from the Dispute Resolution process or court proceedings as an approved Competitive Transmission Project. In the event that selection of the Selected Developer to construct a project is being challenged through the Dispute Resolution Process under Attachment HH of the Tariff, the
obligation of the Selected Developer to construct the project pursuant to the Selected Developer Agreement is not waived.

VIII.H. ALTERNATE SELECTED DEVELOPER(S)

At the same that the Transmission Provider posts the name of the Selected Developer(s) on its website, as specified in Attachment FF Section VIII.E.2, the Transmission Provider shall also notify the Alternate Selected Developer(s) that it has been selected as the Alternate Selected Developer. Upon this notification, each Alternate Selected Developer shall be required to hold their Proposal open for acceptance by the Transmission Provider for a period of one hundred (100) Calendar Days thereafter, unless released earlier by the Transmission Provider. The Transmission Provider shall release the Alternate Selected Developer from its obligation to hold its Proposal open promptly upon the Selected Developer(s) satisfying all conditions necessary for the Selected Developer Agreement to become effective.

If the Selected Developer does not execute the Selected Developer Agreement or request that the Selected Developer Agreement be filed unexecuted, and provide the required Project Financial Security within ninety (90) Calendar Days after the Transmission Provider posted the name of the Selected Developer(s) on its website, the Transmission Provider shall proceed to designate the Alternate Selected Developer(s) as the Selected Developer(s) for the Competitive Transmission Project. Should this be required, the Transmission Provider shall notify the Alternate Selected Developer(s) and publicly announce the Alternate Selected Developer(s) as the Selected Developer(s). The Alternate Selected Developer(s) shall then be required to assume the obligations of the Selected Developer for the Competitive Transmission Project and shall
have the same period of time to execute or request the unexecuted filing of the Selected Developer Agreement and provide the required Project Financial Security as the originally designated Selected Developer(s).

**VIII.I OBLIGATION TO NEGOTIATE INTERCONNECTION AGREEMENTS**

The Selected Developer(s) and any Transmission Owner(s) whose facilities will interconnect to the Competitive Transmission Facilities that the Selected Developer is obligated to construct shall each take commercially reasonable efforts to finalize and execute any required Transmission-to-Transmission Interconnection Agreements at least one hundred and twenty calendar days before the scheduled in service date of the Competitive Transmission Project.

**IX. VARIANCE ANALYSIS**

After the Transmission Provider Board approves an Eligible Project for inclusion in Appendix A of the MTEP, certain circumstances or events may significantly affect the cost, schedule, and or the ability of Selected Developers and Transmission Owners to complete and place into service the facilities comprising an Eligible Project for which they are responsible as specified in the MTEP. Under these circumstances or events, the Transmission Provider may need to perform a Variance Analysis in order to further understand the reasons for such circumstances or events and to evaluate any potential impacts that they may have on the successful completion of the Project or on the Transmission System.
IX.A Applicability and Scope of Variance Analysis

The provisions set forth in this Section IX of Attachment FF are only applicable to Eligible Projects (and the facilities that comprise these projects) approved by the Transmission Provider Board for inclusion in Appendix A of the MTEP after December 1, 2015. These provisions become applicable upon: (i) the date the Transmission Provider Board approves the respective Eligible Project for facilities that are not Competitive Transmission Facilities; or (ii) the date the Selected Developer Agreement has been executed or filed unexecuted with the Commission for Competitive Transmission Facilities. Facilities comprising Eligible Projects shall remain subject to the provisions of Attachment FF Section IX until such facilities have been placed into service and placed under the Transmission Provider’s functional control.

IX.B. Variance Analysis Governance

The Executive Oversight Committee shall have the exclusive and final authority to oversee and implement Variance Analysis, including the decision to implement any of the appropriate Variance Analysis Outcomes pursuant to Section IX.E of this Attachment FF. Such exclusive and final authority shall: (1) be subject to the Dispute Resolution provisions of Section IX.G of this Attachment FF and to Attachment HH; and (2) shall not prejudice any rights or obligations the Transmission Provider, Selected Developer(s), and incumbent Transmission Owner(s) have to make filings before the Commission.

IX.C. Grounds for Variance Analysis

The following circumstances or events shall trigger the Transmission Provider’s Variance
Analysis for facilities included in an Eligible Project.

**IX.C.1. Cost Increase**

If the Transmission Provider determines that the estimated cost to complete an entity’s portion of an approved Eligible Project (e.g. the competitively bid facilities of the Competitive Transmission Project or the facilities assigned to an incumbent Transmission Owner included in an Eligible Project(s) either has exceeded or is projected to exceed the Baseline Cost Estimate by twenty-five percent (25%) or more, the Transmission Provider shall initiate a Variance Analysis.

The Transmission Provider will not consider any portion of cost increases under this section to the extent that the Selected Developer has agreed to internalize such costs through an accepted binding cost-cap and/or cost-containment mechanism(s). However in the event that the accepted binding cost-caps and/or binding cost-containment mechanism(s) are applied and the remaining estimated cost increase still has exceeded or is projected to exceed the threshold, the Transmission Provider shall initiate a Variance Analysis.

**IX.C.1.1. Baseline Cost Estimate**

The Baseline Cost Estimate for an entity’s portion of an Eligible Project shall be set as follows: (i) for Competitive Transmission Facilities the Baseline Cost Estimate shall be the project cost estimate provided in
the Selected Proposal as agreed to in the Selected Developer Agreement; and (ii) for the facilities assigned to an incumbent Transmission Owner included in the Eligible Project not eligible for the Competitive Transmission Process, as described in Attachment FF Section VIII.A of the Tariff, the Baseline Cost Estimate shall be the project cost estimate provided by the respective Transmission Owner through their status update provided upon achieving Milestone #2A pursuant to the Business Practices Manuals and Attachment FF Section I.C.11 of the Tariff. The Baseline Cost Estimate for Competitive Transmission Facilities shall be adjusted appropriately based upon any approved change orders.

IX.C.2. Schedule Delays

If the Transmission Provider determines that the in-service date of facilities included in an approved Eligible Project has been or is projected to be delayed beyond the in-service date as established in MTEP Appendix A, the Transmission Provider shall meet with the Selected Developer(s), incumbent Transmission Owner(s), if applicable, interconnecting Transmission Owner(s), and any entities responsible for facilities to which the delayed facilities interconnect to discuss whether such delay creates a significant risk of one or more NERC reliability standards violations as well as any other material issues, including service obligations, economic or public policy needs that may be jeopardized as a result of the delay. If any such issues are identified, the
Transmission Provider shall, in consultation with these entities, develop a plan, as necessary, to address potential NERC reliability standards violations as well as any other issues that may be of material concern arising from the delay of the transmission facilities.

If the potential NERC reliability standards violations, or other issues of material concern, cannot be adequately addressed by the entity responsible for constructing the delayed facilities, the Transmission Provider will take appropriate action; including but not limited to, determining that Reassignment is necessary to complete the transmission solution as set forth in Section IX.E.3 of this Attachment FF.

IX.C.3. Default under the Selected Developer Agreement

If the Transmission Provider determines that a Selected Developer is in Default under a Selected Developer Agreement for an Eligible Project pursuant to the terms thereof.

IX.C.4 Inability to Complete Facilities

If the Transmission Provider makes a determination that a Selected Developer or an incumbent Transmission Owner will be unable to complete facilities for which it has been designated to construct; where such determination may be based on, but is not limited to the following:
a. A Selected Developer’s or an incumbent Transmission Owner’s inability to secure necessary approvals, permits, certificates, financing, resources, needed expertise and/or third party support identified in the Selected Proposal, property rights, rights of way, or is otherwise unable or unlikely to construct the facilities;

b. A Selected Developer’s or an incumbent Transmission Owner’s notification to the Transmission Provider that it is unable or unwilling to proceed with construction of its facilities for which it has been designated to construct;

c. A Selected Developer or an incumbent Transmission Owner’s abandonment of the facilities it has been designated to construct;

d. A determination by the Transmission Provider that a Selected Developer is no longer a Qualified Transmission Developer; and

e. A determination by the Transmission Provider that reassignment is necessary pursuant to Section IX.E.3 of this Attachment FF.

In selecting the appropriate Variance Analysis Outcome to apply where the Transmission Provider has determined that a Selected Developer or an incumbent Transmission Owner will be unable to complete the facilities for which it has been designated to construct, the Transmission Provider will consider, but is not limited to considering the following, in addition to the general factors set forth in Section IX.D.2.1:
(i) the reasons that the Selected Developer or the Transmission Owner was unable or was unlikely to construct the facilities;

(ii) whether the facilities are still needed;

(iii) whether a Mitigation Plan, as further described in Section IX.E.2 of this Attachment FF, is available that could remedy the ground(s) for Variance Analysis, including consideration of the extent to which it will cost; and

(iv) whether reassignment, as further described in Section IX.E.3 of this Attachment FF, is available, including the impacts of reassigning the facilities to another entity.

IX.D. Variance Analysis Procedure

Variance Analysis shall commence when the Transmission Provider makes an initial determination that one or more of the grounds for Variance Analysis as described in Section IX.C of this Attachment FF exists. The Transmission Provider will adhere to the following steps, as further detailed in the applicable Business Practices Manuals, in performing a Variance Analysis:

IX.D.1. Initial Inquiry and Confirmation of Grounds for Variance Analysis

Upon making an initial determination that one or more of the grounds for Variance Analysis as described in Section IX.C of this Attachment FF exists, the Transmission Provider shall notify the applicable Selected Developer or Transmission Owner in writing that Variance Analysis has commenced, including
the ground(s) for commencing Variance Analysis, and a brief description of the Transmission Provider’s concerns. The applicable Selected Developer or incumbent Transmission Owner shall be provided an opportunity to be heard by the Transmission Provider and present to the Transmission Provider its position on whether the identified ground(s) for Variance Analysis exist and what outcome it believes is appropriate along with supporting facts and documentation. If the Transmission Provider determines that the ground(s) for Variance Analysis do not exist after considering the Selected Developer or Transmission Owner’s response and any other relevant information, the Transmission Provider shall terminate the Variance Analysis. If the Transmission Provider continues to believe that reasonable grounds for Variance Analysis exist after considering the Selected Developer or Transmission Owner’s response and any other relevant information, the Transmission Provider shall continue to commence Variance Analysis and so notify the Selected Developer or Transmissions Owner.

**IX.D.2. Determination of Variance Analysis Outcome**

If the Transmission Provider continues to believe that reasonable ground(s) for Variance Analysis exists pursuant to the process described in Section IX.D.1 of this Attachment FF, the Transmission Provider shall further investigate the circumstances or events and the relevant facts surrounding the facilities identified in Section IX.D.1 above. Upon completing its investigation, the Transmission Provider shall make a determination of which Variance Analysis...
Outcome to apply, as described in Section IX.E of this Attachment FF. In determining which Variance Analysis Outcome to apply, the Transmission Provider shall consider the general factors set forth in Section IX.D.2.1 and the appropriate factors of Sections IX.E of this Attachment FF.

IX.D.2.1. General Factors in Variance Analysis Outcome Determination

Before deciding to impose any Variance Analysis Outcome authorized by the Tariff in Sections IX.E of this Attachment FF, the Transmission provider shall consider the following factors:

A. The causes of, or reasons for, the circumstances or events triggering Variance Analysis, including the degree of fault of the applicable Selected Developer or incumbent Transmission Owner;

B. The potential impacts to the Transmission System and the MTEP, including potential reliability, economic, or public policy impacts;

C. The degree of completion of the Eligible Projects or facilities;

D. A comparison of the estimated costs of each outcome;

E. A comparison of the degree to which each outcome will likely result in the successful completion of or increase the ability to complete the facilities and/or Eligible Projects; and

F. A comparison of the degree to which each outcome will alleviate the ground(s) for Variance Analysis.
IX.D.3. Implementation of Variance Analysis Outcome

Upon completing the procedures detailed in Section IX.D.2 of this Attachment FF, the Transmission Provider shall perform the following as further detailed in the Business Practices Manuals:

A. Inform the applicable Selected Developer(s) or incumbent Transmission Owner and any other affected parties of the Variance Analysis Outcome in writing;

B. Post a description of the Variance Analysis Outcome and the reason(s) it was selected on the Transmission Provider’s website, redacting any confidential information and or Critical Energy Infrastructure Information (CEII) as necessary. The Transmission Provider shall be authorized to publically disclose confidential information, limited in scope to the specific information needed to explain the reason(s) Variance Analysis was triggered and why the Transmission Provider selected the Variance Analysis Outcome for implementation;

C. Implement the Variance Analysis Outcome in coordination with the applicable Selected Developer(s), incumbent Transmission Owner(s), and any other affected parties;

D. If implementation of the Variance Analysis Outcome results in a mitigation plan to be placed into effect that alters the schedule,
cost, design, or scope of a Competitive Transmission Facility, the
Transmission Provider and Selected Developer shall amend the
Selected Developer Agreement to include the requirements of the
mitigation plan or the Transmission Provider shall file such plan
with the Commission unexecuted.

E. If implementation of the Variance Analysis Outcome results in
Reassignment or Cancellation of Competitive Transmission
Facilities, the Transmission Provider shall file a Notice of
Termination with the Commission to terminate the Selected
Developer Agreement pursuant to the provisions of the Selected
Developer Agreement. In the event that the Transmission Provider
files a Notice of Termination pursuant to Section IX.E of this
Attachment FF or otherwise discusses confidential information in
the course of administrative or judicial proceedings, the
Transmission Provider may request that the information be treated
as confidential and non-public pursuant to 18 C.F.R. §1b.20 and
388.112.

IX.E. Variance Analysis Outcomes

In determining which Variance Analysis outcome to apply, the Transmission
Provider shall apply the procedures specified in Section IX.D of this Attachment FF.
IX.E.1. No Action

The Transmission Provider may determine to take no action when Variance Analysis is triggered. In determining whether to take no action in Variance Analysis, the Transmission Provider will consider, but is not limited to, the following:

A. The causes of, or reasons for, the circumstances or events triggering Variance Analysis, including the degree of fault of the applicable Selected Developer or incumbent Transmission Owner;

B. The potential impacts to the Transmission System and the MTEP, including any potential reliability, economic, or public policy impacts;

C. The degree of completion of the Eligible Projects or facilities;

D. The cost and impacts of implementing another Variance Analysis Outcome pursuant to Sections IX.E.2 through IX.E.4 of this Attachment FF as compared to taking no action.

IX.E.2. Mitigation Plan(s)

The Transmission Provider may allow a Selected Developer or incumbent Transmission Owner to alleviate the ground(s) for the Variance Analysis through a mitigation plan. If the Transmission Provider determines that a delay in the applicable facilities and/or Eligible Project’s in-service date may cause the
Transmission Provider or one or more Transmission Owners, Selected Developers, or non-Members to violate any Applicable Reliability Standards, the Transmission Provider shall identify the potential violation(s) and direct the impacted entities to develop a mitigation plan in coordination with the Transmission Provider. The Transmission Provider, the impacted Transmission Owners(s) and/or Selected Developers, as applicable, shall take any and all reasonable actions necessary to meet the requirements of the mitigation plan and Applicable Reliability Standards.

Mitigation plans may also be utilized to address ground(s) for Variance Analysis arising under Sections IX.C.1 through IX.C.4 that do not involve a delay of the in-service date that potentially causes violations of Applicable Reliability Standards, should the Transmission Provider determine it is appropriate. In determining whether to require a mitigation plan, the Transmission Provider will consider the factors set forth in Sections IX.D.2.1 and IX.E.1 of this Attachment FF as well as, but not limited to:

A. The extent to which the ground(s) for Variance Analysis can be remedied through a mitigation plan, if successfully implemented, including the extent to which cost can be restored to baseline and the required in-service date realized;

B. The willingness of the Selected Developer(s) or incumbent Transmission Owner(s) to implement the mitigation plan, including their willingness to bear the costs thereof;
C. The resources and ability of the Selected Developer(s) or incumbent Transmission Owner(s) to successfully implement the mitigation plan; and

D. Whether the Transmission Owner(s) that would receive the reassigned facilities would be better able to alleviate the ground(s) for Variance Analysis than the Selected Developer.

The mitigation measures may include, without limitation, any one or combination of the following components: (i) an updated implementation plan; (ii) an operating procedure; or (iii) alternative facilities and or projects to mitigate reliability violations. If a mitigation plan is used, the Transmission Provider and Selected Developer shall work together to amend the Selected Developer Agreement to reflect the mitigation plan. In the event that the Selected Developer or incumbent Transmission Owner refuses to execute the Transmission Provider’s proposed mitigation plan or offer a substitute plan reasonably acceptable to the Transmission Provider, the Transmission Provider may elect either to file its proposed mitigation plan with the Commission unexecuted, select an alternate Variance Analysis Outcome or, in if the Selected Developer is a signatory to the ISO Agreement, proceed thereunder.

IX.E.3. Reassignment

The Transmission Provider may determine to reassign Competitive Transmission Facilities in accordance with Section IX.E.3.1 of this Attachment FF. Reassignment shall
also be proper if a Selected Developer fails to maintain its Qualified Transmission Developer status after the expiration of any applicable cure period. If a Selected Developer is the incumbent Transmission Owner whose service area is the service area for which the facilities triggering Variance Analysis are located, the Transmission Provider shall seek recourse through the ISO Agreement or FERC, as appropriate. In all other cases, the Transmission Provider will consider the factors set forth in Sections IX.D.2.1, IX.E.1, and IX.E.2 of this Attachment FF as well as the following, in determining whether Reassignment is applied including but not limited to:

  A. Whether a mitigation plan would be sufficient to alleviate the ground(s) for Variance Analysis;

  B. The actions that the incumbent Transmission Owner(s), to whom the facilities would be reassigned to if the Transmission Provider selects the Reassignment Variance Analysis Outcome, would reasonably be required to take to successfully complete the facilities;

  C. The incremental costs of the Reassignment Variance Analysis Outcome;

  and

  D. The extent of any potential delay that the Reassignment Variance Analysis Outcome may cause and any potential impacts on reliability.

If the Transmission Provider selects the Reassignment Variance Analysis Outcome, the Selected Developer(s) shall be obligated to work cooperatively and in good faith with the Transmission Provider, the incumbent Transmission Owner.
Owner(s), and the affected Transmission Owner(s) and/or non-MISO transmission owners, to implement the transition.

IX.E.3.1. Procedure for Reassignment

Reassigned facilities and or projects will be offered to the applicable Transmission Owner(s), as defined below:

A. Ownership and the responsibility to construct facilities which are connected to a single Transmission Owner’s system belong to that Transmission Owner;

B. Ownership and the responsibilities to construct facilities which are connected between two (2) or more Owners’ facilities belong equally to each Transmission Owner, unless such Transmission Owners otherwise agree; and

C. Ownership and the responsibility to construct facilities which are connected between a Transmission Owner(s)’ system and a system or systems that are not part of the Transmission Provider belong to such Transmission Owner(s) unless the Transmission Owner(s) and the non-Transmission Provider party or parties otherwise agree.

If the applicable Transmission Owner(s) decline to construct the reassigned facilities and or Eligible Project, the Transmission Provider will reassign, as applicable, the facilities and/or Eligible Projects through the Competitive Transmission Developer Selection Process, as described
IX.E.4. Cancellation of Facilities and or Projects

The Transmission Provider may determine to cancel Eligible Projects and/or facilities comprising such projects. In determining whether to cancel Eligible Projects or facilities, the Transmission Provider will consider the factors set forth in Sections IX.D.2.1, IX.E.1, IX.E.2, and X.E.3 of this Attachment FF.

IX.F. Variance Analysis Confidentiality

The Transmission Provider shall not disclose to the public that a Variance Analysis has commenced until such time as it has confirmed its initial determination that a ground for Variance Analysis exists pursuant with Section IX.D.1 of this Attachment FF. Notwithstanding the preceding sentence, the Transmission Provider shall be allowed to disclose that it is commencing a Variance Analysis to third parties, including interconnecting Transmission Owners, Selected Developers, or non-Members from whom the Transmission Provider requires information to determine whether the ground(s) for Variance Analysis exist. However, no confidential information will be disclosed when the Transmission Provider solicits information from third parties unless and to the extent such disclosure is needed to obtain information necessary to determine any potential NERC reliability standards violations, service obligation issues, and economic or public policy needs that may be jeopardized.
In the event that the Transmission Provider determines pursuant to Section IX.D.1 of this Attachment FF that ground(s) for Variance Analysis do not exist, the Transmission provider shall treat any information collected pursuant to Section IX.D.1 as Project Confidential Information. In the event that the Transmission Provider determines pursuant to IX.D.1 of this Attachment FF that ground(s) for Variance Analysis do exist, the Transmission provider shall be authorized to share Project Confidential Information with such third parties as the Transmission Provider determines are reasonably necessary in order to enable the Transmission Provider to obtain needed input and information to identify any potential system reliability impacts of Variance Analysis Outcomes, including impacts from any potential NERC reliability standards violations, service obligation issues, and economic or public policy needs that may be jeopardized. The Transmission Provider shall consult with the Selected Developer and or the incumbent Transmission Owner prior to sharing any such confidential information for the purposes of discussing reasonable confidentiality safeguards.

IX.G. Variance Analysis Dispute Resolution

All disputes by the affected Selected Developer or Transmission Owner shall be addressed in accordance with the provisions of Attachment HH, except that disputes involving the termination of a Selected Developer Agreement shall be addressed in accordance with the Dispute Resolution provisions of the Selected Developer Agreement.
IX.H  Project Financial Security

The Transmission Provider may utilize Project Financial Security to cover the costs of Variance Analysis resulting from Default under the Selected Developer Agreement. In such event, the Transmission Provider may draw upon such funds after confirming that a Default exists pursuant to Section IX.D.1 of this Attachment FF. The Transmission Provider shall utilize such funds to offset any costs reasonably incurred by the Transmission Provider in performing a Variance Analysis, transitioning the Competitive Transmission Project to a new Selected Developer and/or incumbent Transmission Owner(s), and otherwise distribute such funds as determined by the Commission to cover Variance Analysis and transition costs. Costs for which Project Financial Security funds may be used include reasonable consultant fees, attorneys’ fees, costs of litigation and or regulatory proceedings, and staffing costs directly attributable to taking actions under the Variance Analysis provisions of the Tariff. The Transmission Provider shall track its use of Project Financial Security and provide an informational filing to the Commission within six (6) months after the Transmission Provider concludes implementation of the selected outcome.

X. Interregional Coordination and Cost Allocation with the Southeastern Regional Transmission Planning Region

The public utility transmission providers in the Southeastern Regional Transmission Planning region (“SERTP”) and the Midcontinent Independent System Operator region (“MISO”) shall
undertake the interregional transmission coordination and cost allocation procedures under Section X of this Attachment FF.

Where the regional transmission planning process is referenced as part of this interregional transmission coordination process the applicable regional transmission planning process for the Transmission Provider is described in Attachment FF; and is described for the SERTP in attachment K of the applicable SERTP transmission provider.

A. **Interregional Transmission Coordination**

1. **Annual Meeting:** Representatives of the SERTP and staff of the Transmission Provider will meet no less than once per year to facilitate the interregional coordination procedures described below (as applicable). Representatives of the SERTP and staff of the Transmission Provider may meet more frequently during the evaluation of interregional transmission project(s) proposed for purposes of interregional cost allocation between the SERTP and the Transmission Provider transmission planning regions.

2. **Website Posting of Information on Interregional Coordination:** The Transmission Provider shall utilize the regional planning website for communication of information related to these coordinated interregional transmission planning procedures. The Transmission Provider shall coordinate with the SERTP with respect to the posting of materials to the regional planning website related to the interregional coordination procedures between the SERTP and the Transmission Provider transmission planning regions. The Transmission
Provider shall, at a minimum, provide the following on the regional planning website:

a. Interregional coordination and cost allocation procedures between the SERTP and Transmission Provider;

b. Links to where stakeholders can register (if applicable/available) for the stakeholder committees or distribution lists of the SERTP;

c. Documents related to joint evaluation of interregional transmission projects; and

d. Status report on interregional transmission projects selected for purposes of interregional cost allocation between the SERTP and the Transmission Provider.

B. Model and Data Exchange

At least annually, the Transmission Provider and the SERTP shall exchange their then-current regional transmission plans including power-flow models and associated data used in the regional transmission planning processes to develop such transmission plan(s). This exchange will occur when such data is available in each of the regional transmission planning processes, typically during the first calendar quarter of each year. Additional transmission-based models and data may be exchanged between the SERTP and the Transmission Provider as necessary and if requested. For purposes of their interregional coordination activities, the Transmission Provider and SERTP will exchange only data and models used in the development of their then-current regional transmission process and plans. This data will be posted on the pertinent regional
transmission planning process’ websites, consistent with the posting requirements of the respective regional transmission planning processes, and subject to the applicable treatment of confidential data and Critical Energy Infrastructure Information (CEII). The Transmission Provider shall notify SERTP of such posting.

C. Identification and Joint Evaluation of Proposed Interregional Transmission Projects

1. Identification of Interregional Transmission Projects: At least biennially, the Transmission Provider and the SERTP shall meet to review the respective regional transmission plans. Such plans include each region’s transmission needs as prescribed by each region’s planning process. This review shall occur on a mutually agreeable timetable, taking into account each region’s regional transmission planning process timeline. If through this review, the Transmission Provider and the SERTP identify a potential interregional transmission project that may be more efficient or cost-effective than regional transmission projects, the Transmission Provider and the SERTP shall jointly evaluate the potential interregional transmission project pursuant to Section X.C.4.

2. Identification of Interregional Transmission Projects by Stakeholders: Stakeholders and transmission developers (pursuant to Section X.D.1) may also propose interregional transmission projects that may be more efficient or cost-effective than regional transmission projects pursuant to the procedures in each region’s regional transmission planning processes.
3. **Identification of Interregional Transmission Projects by Developers:**

Interregional transmission projects proposed for interregional cost allocation purposes (“Interregional CAP”) must be submitted in both the Transmission Provider and the SERTP regional transmission planning processes. The project submittal must satisfy the requirements of Section X.D.1 except for the benefit-to-cost ratio requirements of Section X.D.1.a.ii\(^2\). The submittal must identify the potential transmission project as interregional in scope and identify the Transmission Provider and the SERTP as regions in which the project is proposed to interconnect. The Transmission Provider will verify whether the submittal for the potential interregional transmission project satisfies all applicable requirements. Upon finding that the proposed interregional transmission project satisfies all such applicable requirements, the Transmission Provider will notify the SERTP. Once the potential project has been proposed through the regional transmission planning processes in both regions, and upon both regions so notifying one another that the project is eligible for consideration pursuant to their respective regional transmission planning processes, the Transmission Provider and the SERTP will jointly evaluate the proposed interregional projects pursuant to Sections X.C and X.D.

4. **Evaluation of Interregional Transmission Projects:** The Transmission Provider and the SERTP shall act through their respective regional transmission planning

\(^2\) A transmission developer is not responsible for determining the benefit-to-cost ratio referenced in Section X.D.1.a.ii in a project submittal. However, an interregional transmission project proposed for Interregional CAP must ultimately satisfy the benefit-to-cost ratio requirements in accordance with the provisions of Section X.D.1.a.ii and X.D.3.
processes in the joint evaluation of potential interregional transmission projects identified pursuant to Sections X.C.1 and X.C.2 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 regional projects. 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 transmission plan(s). The Transmission Provider will evaluate potential interregional transmission projects consistent with Section I.C.6 and Section II of Attachment FF.

5. **Review of Proposed Interregional Transmission Projects:** Initial coordination activities regarding potential interregional transmission projects will typically begin during the third quarter of each calendar year. The Transmission Provider and the SERTP will exchange status updates regarding interregional transmission projects that are newly proposed or that are currently under consideration as needed. These status updates will generally include, if applicable: (i) an update of the region’s evaluation of the proposal(s); (ii) the latest calculation of benefits (as identified pursuant to Section X.D.2); and (iii) the anticipated timeline for future assessments.

6. **Coordination of Assumptions Used in Joint Evaluation:** The Transmission Provider and the SERTP will coordinate assumptions and data used in joint evaluations, as necessary, including items such as:

   a. Expected timelines and milestones associated with the joint evaluation;

   b. Study assumptions;
c. Models; and

d. Benefit calculations (as identified pursuant to Section X.D.2).

D. Interregional Cost Allocation: If an interregional transmission project is proposed for Interregional CAP in the SERTP and the Transmission Provider transmission planning regions, then the following cost allocation and benefits calculations, as identified pursuant to Section X.D.2, shall apply to the project:

1. Interregional Transmission Projects Proposed for Interregional Cost Allocation Purposes:

   a. For a transmission project to be eligible for Interregional CAP within the SERTP and the Transmission Provider, the project must:

      i. Interconnect to transmission facilities in both the SERTP and Transmission Provider regions. The facilities to which the project is proposed to interconnect may be either existing facilities or transmission projects included in the regional transmission plan that are currently under development.\(^3\)

      ii. Have a combined benefit-to-cost ratio of 1.25 or higher to the SERTP and Transmission Provider regions, as calculated in Section X.D.3; and

      iii. Meet the threshold and qualification criteria for transmission projects potentially eligible to be included in the respective

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\(^3\) For the MISO region, “under development” refers to Appendix A projects under development approved by the MISO Board of Directors.
regional transmission plans for purposes of cost allocation in the Transmission Provider and the SERTP, pursuant to their respective regional transmission planning processes.

b. On a case-by-case basis, the Transmission Provider and the SERTP may consider an interregional transmission project that does not satisfy all of the criteria specified in this Section X.D.1, but that: (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; and (ii) would be interconnected to transmission facilities in both the SERTP and Transmission Provider regions. The facilities to which the project is proposed to interconnect may be either existing facilities or transmission projects included in the regional transmission plan that are currently under development.

c. The transmission project must be proposed for purposes of cost allocation in both the SERTP and the Transmission Provider. The project submittal must satisfy all criteria specified in the respective regional transmission processes, including the respective timeframes for submittals proposed for cost allocation purposes. If a project is proposed by a transmission developer, the transmission developer must also satisfy the qualification criteria specified by each region.

2. Calculation of Benefits for Interregional Transmission Projects Proposed for Interregional Cost Allocation Purposes: The benefits used to establish
the allocation of costs of a transmission project proposed for Interregional CAP between the SERTP and the Transmission Provider shall be determined as follows:

a. Each transmission planning 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 transmission plan and, if so, which projects in the regional transmission plan could be displaced by the proposed project(s).

b. Based upon its evaluation, each region will quantify its benefits based upon the transmission costs that each region is projected to avoid due to its transmission projects being displaced by the proposed interregional transmission project as follows:

   i. for the SERTP, the total avoided costs of projects included in the then-current regional transmission plan that would be displaced if the proposed interregional transmission project was included; and

   ii. for the Transmission Provider, the total avoided costs of projects included in the then-current regional transmission plan that would be displaced if the proposed interregional transmission project was included.
The benefits calculated pursuant to this Section X.D.2 are not necessarily the same as the benefits used for purposes of regional cost allocation.

3. **Calculation of Benefit-to-Cost Ratio for an Interregional Transmission Project Proposed for Interregional CAP:**

Prior to any regional benefit-to-cost ratio calculation pursuant to either regional transmission planning process, the combined interregional benefit-to-cost ratio, referenced in Section X.D.1.a, shall be calculated for an interregional transmission project proposed for Interregional CAP. Such calculation shall be performed by dividing the sum of the present value of the avoided project cost determined in accordance with Section X.D.2.b.i for the SERTP region and the present value of avoided project cost determined in accordance with Section X.D.2.b.ii for the Transmission Provider region by the present value of the proposed interregional transmission project’s total project cost. The present values used in the cost calculation shall be based on a common date, comparable cost components, and the latest cost estimates used in the evaluation of the interregional transmission project. The combined interregional benefit-to-cost ratio will be assessed in addition to, not in the place of, the SERTP’s and the Transmission Provider’s respective regional benefit-to-cost ratio assessment(s) (if applicable) as specified in the respective regional processes.
4. **Inclusion in Regional Transmission Plans:** An interregional transmission project proposed for Interregional CAP in the transmission planning regions of the SERTP and the Transmission Provider 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 including any regional benefit-to-cost ratio calculations. 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 benefits determined pursuant to Section X.D.2). 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 transmission project to each region shall be based upon the ratio of the region’s benefits to the sum of the benefits, both as determined pursuant to Section X.D.2, identified for both the SERTP and the Transmission Provider.

   b. Each region has obtained all approvals, as prescribed in its regional process, necessary for a project to be included in the regional transmission plan for purposes of regional cost allocation.

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

a. Each region will be allocated a portion of the interregional transmission project’s costs in proportion to such region’s benefit as calculated pursuant to Section X.D.2 to the sum of the benefits identified for both the SERTP and the Transmission Provider calculated pursuant to Section X.D.2.

i. The benefits used for this determination shall be based upon the benefit calculation most recently performed – pursuant to the method described in Section X.D.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.

6. **Milestones of Required Steps Necessary to Maintain Status as Being Selected for Interregional Cost Allocation Purposes:** Once selected in the respective regional transmission plans for purposes of cost allocation, the transmission owners in the SERTP planning region that will be allocated costs of the transmission project, the Transmission Provider, and the transmission developer(s) must mutually agree upon an acceptable development schedule including milestones by which the necessary steps to develop and construct the interregional transmission project must occur. These milestones may
include (to the extent not already accomplished) obtaining all necessary rights-of-way and requisite environmental, state, and other governmental approvals and executing a mutually-agreed upon contract(s) between the applicable transmission owners in the SERTP planning region, the Transmission Provider and the transmission developer. If such critical steps are not met by the specified milestones and then afterwards maintained, then the Transmission Provider and the SERTP may remove the transmission project from the selected category in the regional transmission plans for purposes of cost allocation.

7. **Interregional Transmission Project Contractual Arrangements:** The contracts referenced in Section X.D.6 will address terms and conditions associated with the development of the proposed interregional transmission project included in the regional transmission plans for purposes of cost allocation, including but not limited to:

   a. Engineering, procurement, construction, maintenance, and operation of the proposed transmission project, including coordination responsibilities of the parties;

   b. Emergency restoration and repair;

   c. The specific financial terms and specific total amounts to be charged by the transmission developer of the transmission project to each beneficiary, as agreed to by the parties;

   d. Creditworthiness and project security requirements;
e. Milestone reporting, including schedule of projected expenditures;

f. Reevaluation of the transmission project; and

g. Non-performance or abandonment.

8. **Removal from Regional Transmission Plans:** An interregional transmission project may be removed from the SERTP’s or the Transmission Provider’s regional transmission plan(s) for Interregional CAP: (i) if the transmission 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 Transmission Provider shall notify the SERTP if an interregional transmission project or a portion thereof is likely to be, and/or is actually removed from its regional transmission plan.

E. Transparency

1. Stakeholders will have an opportunity to provide input and feedback within the respective regional transmission planning processes of the SERTP and the Transmission Provider related to interregional transmission projects 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 SERTP and the Transmission Provider.

2. The Transmission Provider shall use the existing planning stakeholder forums, such as the Planning Advisory Committee and Sub-regional Planning Meetings, to review with stakeholders the interregional activities associated with the SERTP.

3. The Transmission Provider will post a list, on the Regional Planning Website, of interregional transmission projects proposed for purposes of cost allocation in both the Transmission Provider and the SERTP regions that are not eligible for consideration because they do not satisfy the regional project threshold criteria of one or both of the regions as well as post an explanation of the thresholds the proposed interregional projects failed to satisfy.