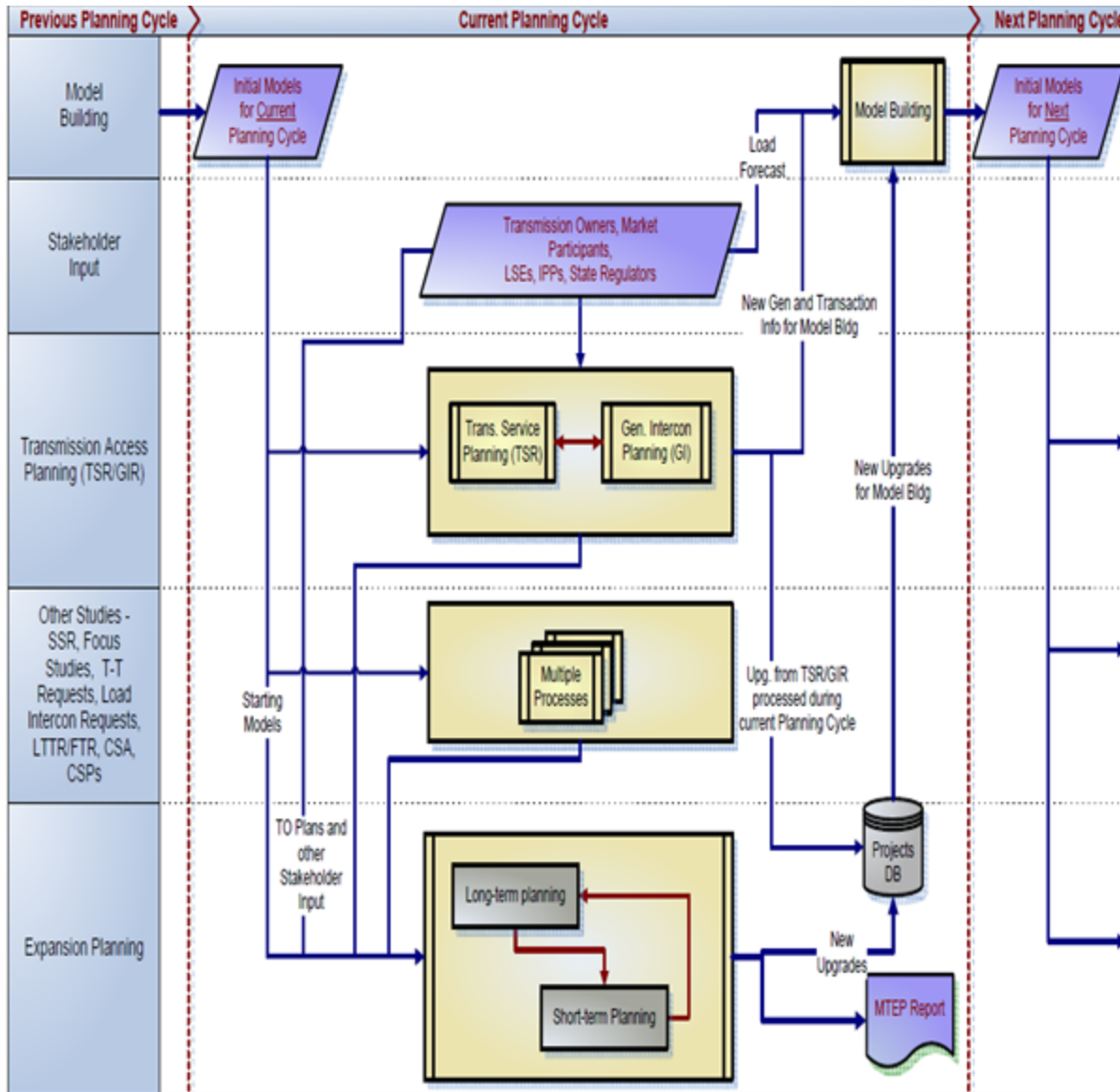


Figure 2.2.2-1: High-level Planning Process Flow Diagram



2.3 Transmission Project Categories and Types

This section describes the categories and types of transmission projects associated with the MISO transmission planning process. There are three distinct categories of transmission projects which include the following:

- Bottom-Up Projects



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- Top-Down Projects
- Externally Driven Projects

The specific types of transmission projects include the following:

- Other Projects
- Baseline Reliability Projects
- Market Efficiency Projects
- Multi-Value Projects
- Generation Interconnection Projects
- Transmission Delivery Service Projects
- Market Participant Funded Projects

Table 2.3-1 below illustrates how specific transmission project types map to their parent transmission project categories:

Table 2.3-1: Transmission Project Type-to-Category Mapping

	Bottom-Up Projects	Top-Down Projects	Externally Driven Projects
Other Projects	X		
Baseline Reliability Projects	X		
Market Efficiency Projects		X	
Multi-Value Projects		X	
Generation Interconnection Projects			X
Transmission Delivery Service Projects			X
Market Participant Funded Projects			X

2.3.1 Transmission Project Categories

This section describes the three transmission project categories.

2.3.1.1 Bottom-Up Projects

Bottom-up projects include transmission projects classified as other projects and Baseline Reliability Projects. Bottom-up projects that are ultimately classified as other projects or Baseline Reliability Projects are not cost shared and are generally developed by Transmission Owner(s), via their role as the NERC Transmission Planner (TP), to address localized Transmission Issues and reliability-related Transmission Issues including, but not limited to, compliance with the NERC reliability standards. In its role as the Planning Coordinator (PC),



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MISO will evaluate all bottom-up projects submitted by Transmission Owner(s) and validate that the projects represent prudent solutions to one or more identified Transmission Issues. In some situations, MISO, as the Planning Coordinator, may also recommend certain bottom-up projects if MISO analysis determines that additional expansion is necessary to comply with the NERC or regional reliability standards. Furthermore, MISO may also recommend alternative solutions to bottom-up projects submitted by Transmission Owner(s), and the expansion planning process will consider those alternative solutions along with the submitted bottom-up projects. Bottom-up projects are produced by the process described in more detail in 2.3.1.1 of this BPM. Bottom-up projects have a right-of-first-refusal and are assigned to the applicable Transmission Owner(s) in accordance with Appendix B of the Owners Agreement when approved.

2.3.1.2 Top-Down Projects

Top-down projects include transmission projects classified as Market Efficiency Projects and Multi-Value Projects. Top-down projects include subregional and regional projects developed solely by the MISO planning process in accordance with Attachment FF and with this BPM as well as interregional projects developed jointly with one or more other planning regions in accordance with applicable Joint Operating Agreements or Tariff provisions as appropriate. Regional or subregional top-down projects are developed in a top-down manner by MISO staff working in conjunction with stakeholders to address regional economic and/or public policy Transmission Issues. Regional or subregional top-down projects that are ultimately classified as Market Efficiency Projects or Multi-Value Projects are cost shared per provisions in the Tariff. Interregional top-down projects are developed in a top-down manner by MISO and one or more other planning regions in conjunction with stakeholders to address interregional Transmission Issues. Interregional projects are cost shared per provisions in the Joint Operating Agreement and/or Tariff, first between MISO and the other planning regions, then within MISO based on provisions in Section III of Attachment FF of the Tariff. Top-down projects are produced by the process described in more detail in 2.3.1.1 of this BPM. Certain facilities associated with top-down projects may or may not have a right-of-first-refusal and thus will either be assigned to the applicable Transmission Owner(s) in accordance with Appendix B of the Owners Agreement and/or awarded via the provisions of Attachment FF and with Attachment FF and with Attachment FF.

2.3.1.3 Externally Driven Projects

Externally driven projects are projects driven by needs identified outside of the MISO Transmission Expansion Plan (MTEP) planning process. Externally driven projects typically include New Transmission Access Projects, which are defined in Attachment FF, as well as other Network Upgrades that are driven by and benefit a single specific Transmission Customer or Market Participant. Externally driven projects include Generation Interconnection



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Projects, which are New Transmission Access Projects developed in accordance with *Attachment X of the Tariff*, Transmission Delivery Service Projects, which are New Transmission Access Projects developed in accordance with Module B of the Tariff; and Market Participant Funded Projects, which are developed pursuant to *Section 6.1* of this BPM. Externally driven projects are generally not cost shared although there are exceptions (e.g., certain Generator Interconnection Projects may be cost shared). Externally driven projects have a Right Of First Refusal (ROFR) and are assigned to the applicable Transmission Owner(s) in accordance with *Appendix B of the Owners Agreement* when approved.

2.3.2 Transmission Project Types

This section describes the eight transmission project types.

2.3.2.1 Other Projects

Other projects represent local transmission projects that address localized Transmission Issues other than the reliability issues addressed by Baseline Reliability Projects, and thus other projects are not projects used to address projected violations of NERC and regional reliability standards. Other projects may include projects to satisfy Transmission Owner and/or state and local planning criteria other than NERC or regional reliability standards, interconnect new Loads, relocate transmission facilities, address aging transmission infrastructure, replace problematic transmission plant, improve operational performance or address other operational issues, address service reliability issues with end-use consumers, improve aesthetics including but not limited to undergrounding overhead transmission facilities, address localized economic issues, and address other miscellaneous localized needs. **Other projects are not cost shared through the Tariff** and are assigned to the applicable Transmission Owner(s) in accordance with *Appendix B of the Owners Agreement* when approved.

2.3.2.2 Baseline Reliability Projects

Baseline Reliability Projects are defined in *Module A of the Tariff* and described in *Section II of Attachment FF of the Tariff* and represent transmission projects needed to comply with Electric Reliability Organization (i.e., NERC) reliability standards and regional reliability standards. **Baseline Reliability Projects are not cost shared through the Tariff** and are assigned to the applicable Transmission Owner(s) in accordance with *Appendix B of the Owners Agreement* when approved.



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2.3.2.3 Market Efficiency Projects

Market Efficiency Projects are defined in *Module A of the Tariff* and described in *Section II of Attachment FF of the Tariff* and represent transmission projects that address Transmission Issues related to market transmission congestion. **Market Efficiency Projects are cost shared projects in accordance with Section III of Attachment FF of the Tariff.** Specific facilities associated with Market Efficiency Projects may or may not have a right-of-first-refusal depending on the provisions of *Section VIII of Attachment FF of the Tariff*, and thus will either be assigned to the applicable Transmission Owner(s) in accordance with *Appendix B of the Owners Agreement* or incorporated into a Competitive Transmission Project and awarded in accordance with *Section VIII of Attachment FF of the Tariff* when approved.

2.3.2.4 Multi-Value Projects

Multi-Value Projects are defined in *Module A of the Tariff* and described in *Section II of Attachment FF of the Tariff* and represent portfolios of transmission projects that address multiple types of Transmission Issues (e.g., public policy, economic, reliability, etc.) on a region-wide basis. **Multi-Value Projects are cost shared projects in accordance with Section III of Attachment FF of the Tariff.** Specific facilities associated with Multi-Value Projects may or may not have a right-of-first-refusal depending on the provisions of *Section VIII of Attachment FF of the Tariff*, and thus will either be assigned to the applicable Transmission Owner(s) in accordance with *Appendix B of the Owners Agreement* or incorporated into an Competitive Transmission Project and awarded in accordance with *Section VIII of Attachment FF of the Tariff* when approved.

2.3.2.5 Generator Interconnection Projects

Generator Interconnection Projects are New Transmission Access Projects that are defined in *Module A of the Tariff* and described in *Attachment X of the Tariff*. Generation Interconnection Projects represent transmission projects required to facilitate the interconnection of a new Generation Resource to the Transmission System or the upgrade of an existing Generation Resource (e.g., capacity uprate, etc.). These projects include both Direct Assignment Facilities, which are defined in *Module A of the Tariff* and represent facilities necessary to physically interconnect the Generation Resource to the Transmission System when necessary, as well as Network Upgrades required to facilitate reliable delivery of the output of the Generation Resource to ultimate Load. **Generation Interconnection Projects are not cost shared through the Tariff except for Network Upgrades operating at 345 kV and above, where ten percent (10%) of such Network Upgrades costs are cost shared on a postage stamp basis.** Generator Interconnection Projects are assigned to the applicable Transmission Owner(s) in accordance with *Appendix B of the Owners Agreement* upon execution of the applicable agreement(s).



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NOTE: For interconnection customers interconnecting to American Transmission Company's (ATC LLC) transmission systems and meeting certain eligibility requirements, fifty percent (50%) of the Network Upgrade cost is allocated entirely to the ATC LLC pricing zone and the remaining fifty percent (50%) is allocated to affected pricing zones based on subregional and/or postage-stamp allocation rules described under Attachment FF. A similar treatment is applicable to interconnection customers interconnecting to ITC or METC transmission systems and meeting certain eligibility requirements.

2.3.2.6 Transmission Delivery Service Projects

Transmission Delivery Service Projects are New Transmission Access Projects that are defined in *Module A of the Tariff* and described in Module B of the Tariff and represent Network Upgrades required to facilitate long-term firm point-to-point transmission service requests. **Transmission Delivery Service Projects are not cost shared** through the Tariff, but instead are charged to the Transmission Customer and may be rolled into base rates in accordance with Attachment N of the Tariff. Transmission Delivery Service Projects are assigned to the applicable Transmission Owner(s) in accordance with Appendix B of the Owners Agreement upon execution of the applicable agreement(s).

2.3.2.7 Market Participant Funded Projects

Market Participant funded projects (MPFPs) are defined as Network Upgrades fully funded by one or more market participants but owned and operated by an incumbent Transmission Owner. These projects apply to those Network Upgrades that are neither currently included in the MTEP Appendix A nor targeted for approval within the current planning cycle.

2.4 MTEP Project Database and the MTEP Project Appendices

The MTEP project database is the repository for all transmission projects that have been approved and recommended and all transmission projects categorized as bottom-up projects that have been proposed and/or validated per [Section 2.3](#) of this BPM. The project database contains specific information on each transmission project and specific information on each facility associated with each transmission project including, but not limited to, project scope, facility specifications, cost estimates, project drivers, project assignment, scheduled completion dates, status information, and other pertinent information. Furthermore, the annual MTEP report produced for each planning cycle contains two appendices that list transmission projects included in the MTEP project database. MTEP Appendix A includes all projects that have been approved by the MISO Board of Directors in the current or a previous MTEP planning cycle, but are not yet in service. MTEP Appendix B includes bottom-up projects needed to address reliability or other localized Transmission Issues that have been validated by MISO and are