

**MISO Board of Directors
Statement of Guiding Principles
For the MISO Transmission Planning Process and Regional Expansion Plan
(April 25, 2013)**

Upon the recommendation of the Board's System Planning Committee, the Board of Directors provides the following Guiding Principles to the MISO staff as it fulfills its RTO transmission expansion planning obligations.

Guiding Principles for Expansion Plans

The transmission expansion plan produced through the MISO transmission planning process must be designed to maintain the reliable operation of the transmission system, support achievement of federal energy policy requirements and energy policy requirements of states in the region, and enable a competitive wholesale energy market that benefits all consumers in the region. The planning process must be transparent and comprehensive, and enable active stakeholder participation.

In support of these goals, the MISO transmission planning process and regional expansion plan shall:

1. Make the benefits of an economically efficient electricity market available to customers by identifying transmission projects which provide access to electricity at the lowest total electric system cost.
2. Direct the development of transmission facilities that meet all applicable NERC and regional reliability standards and criteria, while safe guarding local system reliability.
3. Provide analysis and identify transmission options that support state and federal energy policy requirements.
4. Ensure that the costs of transmission projects included in the plan are reasonable and that those costs are allocated in a manner roughly commensurate with the projected benefits of those projects.
5. Develop and analyze reasonable futures based on input from state public utility commissions and other stakeholders and share inputs and modeling results with state and federal energy policy makers and other stakeholders to provide context and to inform choices.
6. Coordinate transmission planning with neighboring planning regions to seek alternatives or enhancements to intra-RTO planned transmission projects that are more efficient and cost-effective solutions.
7. Approved transmission projects should be subject to appropriate review and reconsideration as necessary in order to ensure that there is a continuing need for the

projects and/or that there is a continuing expectation that the required minimum level of benefits will be achieved.