

**TRANSMISSION PLANNING AND COST ALLOCATON REQUIREMENTS OF
ORDER NO. 1000**

10. Consideration of Transmission Needs Driven by Public Policy Requirements

10.1 Procedures for the Consideration of Transmission Needs Driven by Public

Policy Requirements: The Transmission Provider addresses transmission needs driven by enacted state and federal laws and/or regulations (“Public Policy Requirements”) in its routine planning, design, construction, operation, and maintenance of the Transmission System. In this regard, the Transmission Provider addresses transmission needs driven by the Public Policy Requirements of load serving entities and wholesale transmission customers through the planning for and provision of long-term firm transmission services to meet i) native load and ii) wholesale Transmission Customer obligations under the Tariff.

10.2 The Consideration of Transmission Needs Driven by Public Policy Requirements Identified Through Stakeholder Input and Proposals

10.2.1 Requisite Information: In order for the Transmission Provider to consider transmission needs driven by Public Policy Requirements that are proposed by a Stakeholder, the Stakeholder must provide the following information via a submittal to the Regional Planning Website:

1. The applicable Public Policy Requirement, which must be a requirement established by an enacted state or federal law(s) and/or regulation(s); and
2. An explanation of the possible transmission need driven by the Public Policy Requirement identified in the immediately above subsection (1) (*e.g.*, the situation or system condition for which possible solutions may be needed, as opposed to a specific transmission project) and an explanation and/or demonstration that the current

iteration of the transmission expansion plan(s) does not adequately address that need.

10.2.2 Deadline for Providing Such Information: Stakeholders that propose a transmission need driven by a Public Policy Requirement for evaluation by the Transmission Provider in the current transmission planning cycle must provide the requisite information identified in Section 10.2.1 to the Transmission Provider no later than 60 calendar days after the SERTP Annual Transmission Planning Summit and Input Assumptions Meeting for the previous transmission planning cycle. That information is to be provided in accordance with the contact information provided on the Regional Planning Website.

10.3 Transmission Provider Evaluation of SERTP Stakeholder Input Regarding Potential Transmission Needs Driven by Public Policy Requirements

10.3.1 In the transmission planning process for that planning cycle, the Transmission Provider will evaluate Stakeholder input to determine if there is a transmission need driven by the Public Policy Requirement identified by the Stakeholder in Section 10.2 that should be addressed in the transmission expansion plan.

10.3.2 If a transmission need is identified that is not already addressed in the transmission expansion planning process, the Transmission Provider will identify a transmission solution to address the aforementioned need in the planning processes.

10.3.3 Stakeholder input regarding potential transmission needs driven by Public Policy Requirements may be directed to the governing Tariff process as appropriate. For example, if the potential transmission need identified by the Stakeholder is essentially a request by a network customer to integrate a new network resource, the request would be directed to that existing Tariff process.

10.4 Posting Requirement: The Transmission Provider will provide and post on the Regional Planning Website a response to Stakeholder input regarding transmission needs driven by Public Policy Requirements.

11. Merchant Transmission Developers Proposing Transmission Facilities Impacting the SERTP: Merchant transmission developers not seeking regional cost allocation pursuant to Sections 15-21 ("Merchant Transmission Developers") who propose to develop a transmission project(s) potentially impacting the Transmission System and/or transmission system(s) within the SERTP region shall provide information and data necessary for the Transmission Provider to assess the potential reliability and operational impacts of those proposed transmission facilities. That information should include:

- Transmission project timing, scope, network terminations, load flow data, stability data, HVDC data (as applicable), and other technical data necessary to assess potential impacts.

12. Enrollment

12.1 General Eligibility for Enrollment: A public utility or non-public utility transmission service provider and/or transmission owner having a statutory or tariff obligation to ensure that adequate transmission facilities exist within a

portion of the SERTP region may enroll in the SERTP. Such transmission providers and transmission owners are thus potential beneficiaries for cost allocation purposes on behalf of their transmission customers. Entities who do not enroll will nevertheless be permitted to participate as stakeholders in the SERTP.

- 12.2 Enrollment Requirement In Order to Seek Regional Cost Allocation:** While enrollment is not generally required in order for a transmission developer to be eligible to propose a transmission project for evaluation and potential selection for regional cost allocation purposes (“RCAP”) pursuant to Sections 15-21, a potential transmission developer must enroll in the SERTP in order to be eligible to propose a transmission project for RCAP if it, an affiliate, subsidiary, member, owner or parent company has load in the SERTP.
- 12.3 Means to Enroll:** A public utility or non-public utility transmission service provider or transmission owners may provide an application to enroll in accordance with Sections 12.1 and 12.2 above, by executing the form of enrollment posted on the Regional Planning Website.
- 12.4 List of Enrollees in the SERTP:** Exhibit ____ to this Attachment K provides a list of the public utility and non-public utility transmission service providers and transmission owners who have enrolled in the SERTP (“Enrollees”).
- 12.5 Enrollment, Cost Allocation Responsibility, and Conditions Precedent:** Enrollment will subject Enrollees to cost allocation if, during the period in which they are enrolled, it is determined in accordance with this Attachment K that the Enrollee is a beneficiary of a new transmission project(s) selected in the regional

transmission plan for RCAP; provided, however, that the initial non-public utility transmission owners and/or transmission providers who have chosen to enroll at the time of the Transmission Provider's initial compliance filing to the Commission's requirements adopted in Order No. 1000/FERC Docket No. RM10-23 do so on the condition precedent that the Commission accepts that compliance filing without modification and without setting it for hearing or suspension. Should the Commission take any such action upon review of the Transmission Provider's compliance filing or in any way otherwise modify, alter, or impose amendments to this Attachment K, then each such non-public utility will be under no obligation to enroll in the SERTP and will have sixty (60) days following that order or action to provide written notice to the Transmission Provider of whether it will, in fact, enroll in the SERTP. If, in that event, it decides not to enroll, the non-public utility shall not be subject to cost allocation under this Attachment K.

12.6 Conditions Subsequent Upon Enrollment: Once enrolled, should the Commission, a Court, or any other governmental entity having the requisite authority modify, alter, or impose amendments to this Attachment K, then an enrolled non-public utility may immediately withdraw from this Attachment K by providing written notice within 60 days of that order or action, with the non-public utility's termination being effective as of the close of business the prior business day before said modification, alteration, or amendment occurred. The withdrawing Enrollee will be subject to regional and interregional cost allocations, if any, to which it had agreed and that were determined in accordance

with this Attachment K during the period in which it was enrolled that such Enrollee was a beneficiary of new transmission facilities selected in the regional transmission plan for RCAP. Any withdrawing Enrollee will not be allocated costs for projects included in the regional transmission plan for RCAP after its termination of enrollment becomes effective in accordance with the provisions of this Section 12.6.

12.7 Notification of Withdrawal: An Enrollee wanting to terminate its enrollment in the SERTP may do so by providing written notification of such intent to the Transmission Provider. Except for non-public utilities terminating pursuant to Sections 12.5 or 12.6 above, the termination will be effective at the end of the then-current transmission planning cycle provided that the notification of withdrawal is provided to the Transmission Provider at least sixty (60) days prior to the Annual Transmission Planning Summit and Assumptions Input Meeting for that transmission planning cycle. The withdrawing Enrollee will be subject to regional and interregional cost allocations, if any, to which it had agreed and that were determined in accordance with this Attachment K during the period in which it was enrolled that such Enrollee was a beneficiary of new transmission facilities selected in the regional transmission plan for purposes of cost allocation. Any withdrawing Enrollee will not be allocated costs for projects included in the regional transmission plan for RCAP after its termination of enrollment becomes effective in accordance with the provisions of this Section 12.7.

13. Qualification Criteria to Submit a Regional Transmission Project Proposal for Potential Selection in a Regional Transmission Plan for Purposes of Cost Allocation

13.1 Transmission Developer Qualification Criteria: While additional financial and technical criteria may be required to be satisfied in order for a proposed transmission project to be selected and/or included in a regional plan for RCAP, a transmission developer must satisfy the following, initial qualification criteria to be eligible to propose a transmission project for potential selection in a regional transmission plan for RCAP.

13.1.1 If the transmission developer or its parent or owner or any affiliate, member or subsidiary has load in the SERTP region, the transmission developer must have enrolled in the SERTP in accordance with Section 12.2.

13.1.2 In order to be eligible to propose a transmission project for consideration for selection for RCAP, the transmission developer must demonstrate that it satisfies the following, minimum financial capability and technical expertise requirements:

1. The transmission developer has and maintains a credit rating of BBB- or higher from Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P"), or a credit rating of Baa3 or higher from Moody's Investors Service, Inc. In addition, the transmission developer's parent company's credit rating may be used to satisfy this requirement but only if the parent company commits in writing to provide a guaranty for the transmission developer if the proposed transmission project is selected for RCAP;¹
2. The transmission developer provides documentation of its capability to finance U.S. energy projects equal to or greater than the cost of the proposed transmission project; and
3. The transmission developer has the capability to develop, construct, operate, and maintain U.S. electric transmission projects of similar or

¹ If a project is selected for RCAP, having a BBB- and/or a Baa3 rating alone will not be sufficient to satisfy the requisite project security/collateral requirements.

larger complexity, size, and scope as the proposed project. The transmission developer must demonstrate such capability by providing, at a minimum, the following information:

- a. A summary of the transmission developer's: transmission projects in-service, under construction, and/or abandoned or otherwise not completed including locations, operating voltages, mileages, development schedules, and approximate installed costs; whether delays in project completion were encountered; and how these facilities are owned, operated and maintained. This may include projects and experience provided by a parent company or affiliates or other experience relevant to the development of the proposed project; and
- b. If it or a parent, owner, affiliate, or member has been found in violation of any NERC and/or Regional Entity reliability standard and/or the violation of regulatory requirement(s) pertaining to the development, construction, ownership, operation, and/or maintenance of electric infrastructure facilities, an explanation of such violations.

14. Transmission Facilities Potentially Eligible for RCAP: In order for a transmission project proposed by a transmission developer to be considered for evaluation and potential selection for RCAP, the project must be regional in nature in that it must be a major transmission project effectuating significant bulk electric transfers across the SERTP region and addressing significant electrical needs. A regional transmission project eligible for RCAP would be a transmission line that would:

- a. operate at a voltage of 300 kV or greater and span 100 miles or more within the SERTP; and
 - b. portions of said transmission line must be located in two or more balancing authority areas located in the SERTP.
1. A transmission project that does not satisfy (a) and (b) above but that would effectuate similar, significant bulk electric transfers across the SERTP region and address similar, significant regional electrical needs will be considered on a case-by-case basis;
 2. The proposed transmission project cannot be an upgrade to an existing facility of anyone other than the transmission developer or located on the property and/or right-of-way ("ROW") belonging to anyone other than the transmission developer absent the consent of the owner of the existing facility or ROW, as the case may be;

3. In order for the proposed transmission project to be a more efficient and cost effective alternative to the projects identified by the transmission providers through their planning processes, it should be materially different than projects already under consideration and materially different than projects that have been previously considered in the expansion planning process; and
4. The proposed transmission project must be able to be constructed and tied into the transmission system by the required in-service date.

15. Submission and Evaluation of Proposals for Potential Selection in a Regional Transmission Plan for RCAP

15.1 Information to be Submitted: A transmission developer must submit the following information in support of a transmission project it proposes for potential selection in a regional transmission plan for RCAP:

1. Documentation of the transmission developer's ability to satisfy the qualification criteria required in Section 13;
2. Sufficient information for the Transmission Provider to determine that the potential transmission project satisfies the regional eligibility requirements of Section 14;
3. If it or a parent, owner, affiliate, or member who will be performing work in connection with the potential transmission project is registered with NERC or other industry organizations pertaining to electric reliability and/or the development, construction, ownership, or operation, and/or maintenance of electric infrastructure facilities, a list of those registrations.
4. A description of the proposed transmission project that details the intended scope (including the various stages of the project development such as engineering, ROW acquisition, construction, recommended in-service date, etc.);
5. A capital cost estimate of the proposed transmission project. If the cost estimate differs greatly from generally accepted estimates of projects of comparable scope, the transmission developer will be required to support such differences;
6. Documentation of the technical analysis performed supporting the position that the proposed transmission project addresses the transmission needs and does so more efficiently and cost-effectively than specific projects

included in the latest transmission expansion plan. Documentation must include the following:

- The identification of: (a) transmission projects in the latest expansion plan that would be displaced by the proposed project, and (b) any additional projects that may be required in order to implement the proposed project; and
 - The data and/or files necessary to evaluate the transmission developer's analysis of the proposed transmission project;
7. The transmission developer must provide a reasonable explanation of, as it pertains to its proposed project, its planned approach to satisfy applicable regulatory requirements and its planned approach to obtain requisite authorizations necessary to acquire rights of way and to construct, operate, and maintain the proposed facility in the relevant jurisdictions;
- The transmission developer should not expect to use the Transmission Provider's right of eminent domain for ROW acquisition; and
8. An administrative fee of \$25,000 to off-set the costs to review, process and evaluate each transmission project proposal. A refund of \$15,000 will be provided to the transmission developer if:
- The transmission developer or its proposal is determined to not satisfy the qualification criteria in Section 13 through 15.1; or
 - The transmission developer withdraws its proposal by providing written notification of its intention to do so to the Transmission Provider prior to the First RPSG Meeting and Interactive Training Session for that transmission planning cycle.

15.2 Deadline for Submittal: In order for its transmission project to be considered for RCAP in the current transmission planning cycle, a transmission developer must provide the requisite information identified in Sections 13 through 15.1 to the Transmission Provider in accordance with the contact information provided on the Regional Planning Website no later than 60 calendar days after the SERTP Annual Transmission Planning Summit and Input Assumptions Meeting for the previous transmission planning cycle.

15.3 Initial Review of Qualification Criteria and Opportunity for Cure:

The Transmission Provider will notify transmission developers who do not meet the qualification criteria in Section 13 through 15.1, or who provide an incomplete submittal, within 30 calendar days of the submittal deadline to allow the transmission developers an opportunity to remedy any identified deficiency(ies). Transmission developers, so notified, will have 15 calendar days to resubmit the necessary supporting documentation to remedy the identified deficiency.

15.4 Change in the Transmission Developer's Qualification Information or

Circumstances: The transmission developer has an obligation to update and report in writing to the Transmission Provider any change to its information that was provided as the basis for its satisfying the requirements of Sections 13 through 15, except that the transmission developer is not expected to update its technical analysis performed for purposes of Section 15.1(6) to reflect updated transmission planning data as the transmission planning cycle(s) progresses. If at any time the Transmission Provider concludes that a transmission developer or a potential transmission project proposed for RCAP purposes no longer satisfies such requirements specified in Sections 13 through 15, then the Transmission Provider may remove the transmission developer's potential transmission project(s) from consideration for RCAP purposes and/or remove any and all such transmission project(s) from the selected category for RCAP purposes, as applicable.

16. Evaluation of Proposals for Selection in a Regional Transmission Plan for RCAP**16.1 Potential Transmission Projects Seeking RCAP Will be Evaluated in the**

Normal Course of the Transmission Planning Process: During the course of the then-current transmission expansion planning cycle (and thereby in conjunction with other system enhancements under consideration in the transmission planning process), the Transmission Provider will evaluate current transmission needs and assess alternatives to address current needs including the potential transmission projects proposed for RCAP by transmission developers. Such evaluation will be in accordance with, and subject to (among other things), state law pertaining to transmission ownership, siting, and construction. Utilizing coordinated models and assumptions, the Transmission Provider will apply its planning guidelines and criteria to evaluate submittals and determine whether:

1. The proposed transmission project addresses an underlying transmission need(s);
2. The proposed transmission project addresses transmission needs that are currently being addressed with projects in the transmission planning process and if so, which projects could be displaced by the proposed transmission project;²
3. Any additional projects would be required to implement the proposed transmission project.

16.2 Benefit-to-Cost Analysis Based Upon Planning Level Cost Estimates

16.2.1 Based upon the evaluation outlined in Section 16.1, the Transmission Provider will assess whether the proposed transmission project seeking RCAP is considered at that point in time to yield meaningful, net regional benefits. Specifically, the proposed transmission project should yield a

² Entities that are identified to potentially have one or more of their planned transmission projects displaced by the transmission developer's potential transmission project for RCAP shall be referred to as "Beneficiaries."

regional benefit-to-cost ratio of at least 1.25 and no individual Impacted Utility should incur increased, unmitigated transmission costs.³

- a. The benefit used in this calculation will be quantified by the transmission costs that the Beneficiaries would avoid due to their transmission projects being displaced by the transmission developer's proposed transmission project.
- b. The cost used in this calculation will be quantified by the transmission cost of the project proposed for selection in a regional transmission plan for RCAP plus the transmission costs of any additional projects required to implement the proposal.
- c. The Transmission Provider will develop planning level cost estimates for use in determining the regional benefit-to-cost ratio. Detailed engineering estimates may be used if available.

16.2.2 For potential transmission projects found to satisfy the foregoing benefit-to-cost analysis, the Transmission Provider and the Impacted Utilities will then consult with the transmission developer of that project to establish a schedule reflecting the expected in-service date of the project for: 1) the transmission developer to provide detailed financial terms for its proposed project that are acceptable to each Beneficiary and 2) the proposed transmission project to receive approval for RCAP from the jurisdictional and/or governance authorities of the Impacted Utilities.

16.3 The Transmission Developer to Provide More Detailed Financial Terms Acceptable to the Beneficiaries and the Performance of a Detailed Cost-to-Benefit Analysis: By the date specified in the schedule established in Section

³ An entity would incur increased, unmitigated transmission costs should it incur more costs than displaced benefits and not be compensated/made whole for those additional costs. For purposes of this Attachment K, the terms "Impacted Utilities" shall mean: i) the Beneficiaries identified for the proposed transmission project and ii) any entity identified in this Section 16.2.1 to potentially have increased costs in order to implement the proposal.

16.2.2,⁴ the transmission developer shall identify the detailed financial terms for its proposed project, establishing in detail: (a) the total cost to be allocated to the Beneficiaries if the proposal were to be selected for RCAP, and (b) the components that comprise that cost, such as the costs of:

- a. Engineering, procurement, and construction consistent with Good Utility Practice and standards and specifications acceptable to the Transmission Provider,
- b. Financing costs, required rates of return, and any and all incentive-based (including performance based) rate treatments,
- c. Ongoing operations and maintenance of the proposed transmission project,
- d. Provisions for restoration, spare equipment and materials, and emergency repairs, and
- e. Any applicable local, state, or federal taxes.

To determine whether the proposed project is considered at that time to remain a more efficient and cost effective alternative, the Transmission Provider will then perform a more detailed 1.25 benefit-to-cost analysis consistent with that performed pursuant to Section 16.2.1. This more detailed analysis will be based upon the detailed financial terms provided by the transmission developer, as may be modified by agreement of the transmission developer and Beneficiary(ies), and any other more updated/detailed transmission planning, cost or benefit information that is available for the proposed transmission project, the projects

⁴ The schedule established in accordance with Section 16.2.2 will reflect considerations such as the timing of those transmission needs the regional project may address as well as the lead-times of the regional project, transmission projects that must be implemented in support of the regional project, and projects that may be displaced by the regional project. This schedule may be revised by the Transmission Provider and the Impacted Utilities, in consultation with the transmission developer, as appropriate to address, for example, changes in circumstances and/or underlying assumptions.

that would be displaced, and any additional projects required to implement the proposal.⁵

16.4 Jurisdictional and/or Governance Authority Approval and Selection for

RCAP: The project will be selected for RCAP in the then-current iteration of the regional plan for purposes of Order No. 1000, subject to the provisions of Section 18, if: the detailed financial terms provided in accordance with Section 16.3, as may be modified by agreement of the transmission developer and Beneficiary(ies), are acceptable to each Beneficiary; the proposed transmission project is found to satisfy the more detailed benefit-to-cost analysis specified in Section 16.3; and if approval is obtained from all of the jurisdictional and/or governance authorities of the Impacted Utilities by the date specified in the schedule adopted in accordance with Section 16.2.2.⁶ If obtaining jurisdictional and/or governance authorities approval requires a modification of the detailed financial terms found acceptable in Section 16.3, and both the transmission developer and the Beneficiary(ies) agree to the modification, then the modified detailed financial terms shall be the basis for the regional cost allocation for purposes of the project.

⁵ The performance of this updated, detailed benefit-to-cost analysis might identify different Beneficiaries and/or Impacted Utilities than that identified in the initial benefit-to-cost analysis performed in accordance with Section 16.2.1.

⁶ Being selected for RCAP in the then-current iteration of a regional plan only provides how the costs of the transmission project may be allocated in Commission-approved rates should the project be built. Being selected for RCAP provides no rights with regard to siting, construction, or ownership. The transmission developer must obtain all requisite approvals to site and build its transmission project. A transmission project may be removed from the selected category for RCAP in the regional plan in accordance with the provisions of Sections 15.4, 18 and 19.

- 17. Cost Allocation Methodology Based Upon Avoided Transmission Costs:** If a regional transmission project is selected in a regional plan for RCAP in accordance with Section 16.4 and then constructed and placed into service, the Beneficiaries identified in the detailed benefit-to-cost analysis performed in Section 16.3 to potentially have one or more of their planned transmission projects displaced by the transmission developer's potential transmission project for RCAP will be allocated the regional transmission project's costs in proportion to their respective displaced transmission costs as found acceptable in accordance with Sections 16.3 and 16.4.

- 18. On-Going Evaluations of Proposed Projects:** In order to ensure that the Transmission Provider can efficiently and cost effectively meet its respective reliability, duty to serve, and cost of service obligations, and to ensure that the proposed transmission project actually proves to be more efficient and cost effective, the Transmission Provider will continue to reevaluate a proposed transmission project, including any such projects that are being considered for potential selection for RCAP and any transmission projects that may have been selected for RCAP. This continued reevaluation will assess then-current transmission needs and determine whether the proposed transmission project continues to be needed and is more efficient and cost effective compared to alternatives as assessed in subsequent expansion planning processes that reflect ongoing changes in actual and forecasted conditions. Even though a proposed project may have been selected for RCAP in an earlier regional plan, if it is determined that the proposed project is no longer needed and/or it is no longer more efficient and cost effective than alternatives, then the Transmission Provider may notify the transmission developer and remove the proposed project from the selected category for RCAP. Reevaluation will occur until it is no

longer reasonably feasible to replace the proposed transmission project in that the proposed transmission project is in a material stage of construction and/or it is no longer considered reasonably feasible for an alternative transmission project to be placed in service in time to address the underlying transmission need(s) the proposed project is intended to address.

- 19. Delay or Abandonment:** As part of the Transmission Provider's on-going transmission planning efforts, the Transmission Provider will assess whether alternative transmission solutions may be required in addition to, or in place of, a potential transmission project selected for RCAP due to the delay in its development or abandonment of the project. In this regard, the transmission developer shall promptly notify the Transmission Provider should any material changes or delays be encountered in the development of the potential transmission project. If, due to such delay or abandonment, the Transmission Provider determines that a project selected in the regional plan for RCAP no longer adequately addresses underlying transmission needs and/or no longer remains more efficient and cost effective, then the Transmission Provider may remove the project from being selected in the regional plan for RCAP and proceed with reevaluating the regional transmission plan to seek appropriate solution(s). If removed from being selected in the regional plan for RCAP due to delay or abandonment by the transmission developer, then the transmission developer shall be responsible for any increased costs to the Impacted Utilities due to any such delay or abandonment.
- 20. Milestones of Required Steps Necessary to Maintain Status as Being Selected for RCAP:** Once selected in a regional plan for RCAP, the transmission developer must submit a development schedule to the Transmission Provider and the Impacted Utilities

that establishes the milestones, including (to the extent not already accomplished) obtaining all necessary ROWs and requisite environmental, state, and other governmental approvals and executing a mutually-agreed upon contract(s) with the Beneficiaries, by which the necessary steps to develop and construct the transmission project must occur. The schedule and milestones must be satisfactory to the Transmission Provider and the Impacted Utilities. In addition, the Transmission Provider and the Impacted Utilities will also determine the security/collateral arrangements for the proposed project and the deadline(s) by which they must be provided.⁷ If such critical steps are not met by the specified milestones and then afterwards maintained, then the Transmission Provider may remove the project from the selected category for RCAP.

21. Mutually Agreed Upon Contract(s) Between the Transmission Developer and the Beneficiaries: The contract(s) referenced in Section 20 will address terms and conditions associated with the development of the proposed transmission project in a regional plan for RCAP, including:

1. The specific financial terms/specific total amounts to be charged by the transmission developer for the regional transmission project to the Beneficiaries, as agreed to by the parties,
2. The contracting Beneficiary's(ies') allocation of the costs of the aforementioned regional facility,
3. Creditworthiness/project security requirements,
4. Operational control of the regional transmission project,
5. Milestone reporting, including schedule of projected expenditures,
6. Engineering, procurement, construction, maintenance, and operation of the proposed regional transmission project,
7. Emergency restoration and repair responsibilities,
8. Reevaluation of the regional transmission project, and
9. Non-performance or abandonment.

⁷ Satisfying the minimum, financial criteria specified in Section 13.1.2 alone in order to be eligible propose a project for RCAP will not satisfy this security/collateral requirement.