

Memorandum

To: ISO Board of Governors

From: Keith Casey, Vice President of Market & Infrastructure Development

Date: October 25, 2017

Re: **Update on the Transmission Economic Assessment Methodology (TEAM) document**

This memorandum does not require Board action.

The Transmission Economic Assessment Methodology (TEAM) set out principles for economic planning and outlined a framework to implement those principles. TEAM was first proposed by the ISO as the methodology for transmission economic assessment in 2004. While the applicability of the concepts has been proven, implementation details of TEAM principles have changed since then along with the power market evolution and renewable integration, and the progress of study tools and models. Management considers it necessary to update the TEAM document to reflect current practices and interpretations, and remove obsolete detail, as process improvement for the current planning processes as well as to set in place a more meaningful foundation for any future discussions.

The proposed updates on the TEAM document have been presented to stakeholders in the stakeholder meeting on November 16, 2016 and the stakeholder conference call on August 10, 2017. After considering and incorporating stakeholders' comments, the TEAM document has been updated and is provided in Attachment 1 for reference.