

195 FERC ¶ 61,215
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Laura V. Swett, Chairman;
David Rosner, Lindsay S. See,
Judy W. Chang, and David LaCerte.

ISO New England Inc.
Central Maine Power Company
The Connecticut Light and Power Company
Fitchburg Gas and Electric Light Company
Green Mountain Power Corporation
Maine Electric Power Company
The Narragansett Electric Company
New England Power Company
New Hampshire Transmission, LLC
NSTAR Electric Company
Public Service Company of New Hampshire
The United Illuminating Company
Unitil Energy Systems, Inc.
Vermont Electric Cooperative, Inc.
Vermont Electric Power Company, Inc.
Vermont Transco LLC
Versant Power

Docket No. EL26-72-000

ORDER INSTITUTING PROCEEDING

UNDER SECTION 206 OF THE FEDERAL POWER ACT

(Issued June 18, 2026)

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1. Over the past year, the Commission has taken action in numerous dockets¹ to address issues related to (a) unprecedented increases in requests for transmission service to serve large loads² and (b) growing interest in the co-location of loads with generating facilities (co-location arrangements³). Separately, the Secretary of Energy (Secretary) released an advance notice of proposed rulemaking (ANOPR) in October 2025. The ANOPR, issued pursuant to section 403 of the Department of Energy Organization Act,⁴ directed the Commission to consider taking additional actions to address the addition of large and co-located loads to the transmission system.⁵ The records in these proceedings illustrate a host of urgent challenges associated with providing the transmission service needed to serve the ongoing influx of large loads while maintaining reliability and affordability. In particular, stakeholders have expressed concerns that large loads are not efficiently and appropriately integrated onto the transmission system; have identified a

¹ See, e.g., *PJM Interconnection, L.L.C.*, 190 FERC ¶ 61,115 (2025) (PJM Show Cause Order); *PJM Interconnection, L.L.C.*, 193 FERC ¶ 61,217 (2025) (PJM Co-Location Order); *Sw. Power Pool, Inc.*, 194 FERC ¶ 61,031 (2026) (SPP HILL Order); *Sw. Power Pool, Inc.*, 195 FERC ¶ 61,196 (2026) (SPP CHILLS Order); see also, e.g., *Duke Energy Carolinas, LLC*, 193 FERC ¶ 61,237 (2025); *Commonwealth Edison Co.*, 194 FERC ¶ 61,181 (2026).

² As explained below, it appears that it would be reasonable to define a large load as (1) a new commercial or industrial customer, (2) located at a single site behind one or more points of interconnection, (3) that has a peak load of 50 MW or greater, (4) interconnects to the transmission system at a voltage level of greater than 69 kV, and (5) is not part of a co-location arrangement. See *infra* P 56.

³ As explained below, it appears that it would be reasonable to define co-located load as a configuration that refers to end-use customer load that is physically connected to the facilities of an existing or planned generating facility on the interconnection customer's side of the point of interconnection to the RTO/ISO's transmission system. In this order, we will use the term co-location arrangement when referring to both the co-located load and the associated generating facility. See *infra* P 86.

⁴ 42 U.S.C. § 7173.

⁵ See *Interconnection of Large Loads to the Interstate Transmission System*, Advance Notice of Proposed Rulemaking, Docket No. RM26-4-000 (Oct. 23, 2025) (ANOPR); see also Letter from Chris Wright, Sec'y, U.S. Dep't of Energy, Docket No. RM26-4-000 (Oct. 23, 2025). The ANOPR uses the term "hybrid facilities," which it explains are large loads that "share a point of interconnection with new or existing generation facilities." ANOPR at P 12. In this order, as explained below, we use the term co-located load.

number of unique challenges that large load integration poses for the reliable operation of that system; and have debated how best to ensure that the rates, terms, and conditions of transmission service remain just and reasonable as more and more large loads are onboarded onto that system.⁶ The records in these proceedings likewise present serious concerns about the lack of clarity and consistency in Regional Transmission Organization or Independent System Operator (RTO/ISO) tariffs—including with respect to the rates, terms, and conditions of service that apply to flexible large loads, co-location arrangements, load with behind the meter generation, and generating facilities with electrically proximate large load⁷ or co-located load.

2. The findings in several recent Commission proceedings establish the foundations of a just and reasonable framework for addressing these concerns and ensuring the timely, efficient, and reliable integration of large and co-located loads onto the transmission system. For example, Southwest Power Pool, Inc. (SPP) has recently taken a number of innovative and proactive steps to address the challenges of integrating large loads, co-located loads, and/or generation and electrically proximate large load onto the transmission system while ensuring that its tariff remains just and reasonable, and PJM Interconnection, L.L.C. (PJM) has likewise taken steps toward that goal in response to this Commission's directives.⁸ By contrast, ISO New England Inc. (ISO-NE) has not yet

⁶ Throughout this order we rely on comments and answers filed in response to the ANOPR in Docket No. RM26-4-000 and all referenced comments in this order were filed in that docket, unless otherwise noted. A full list of commenter names and abbreviations is attached to this order as an Appendix. Additionally, we have relied on the discussions held in the Federal and State Current Issues Collaborative in Docket No. AD24-7-000 (NARUC Collaborative). All entities who wish to participate in this docket, regardless of participation in the ANOPR proceeding or NARUC Collaborative, should file to intervene in Docket No. EL26-72-000.

⁷ As explained below, for purposes of this order, an “electrically proximate large load” is a large load, as defined in this order, that is sufficiently electrically close to the interconnection customer's requested point of interconnection, such that the impact on the transmission system of the combination of the generating facility and the load, with the exception of the transmission facilities between the two, will be effectively the same as if they were located at the same substation (e.g., large load that is located no more than two substations away from the generating facility). *See infra* P 110.

⁸ PJM Show Cause Order, 190 FERC ¶ 61,115; PJM Co-Location Order, 193 FERC ¶ 61,217, *order on reh'g*, 195 FERC ¶ 61,209 (2026) (PJM Co-Location Rehearing Order); SPP HILL Order, 194 FERC ¶ 61,031; SPP CHILLS Order, 195 FERC ¶ 61,196.

proposed tariff revisions to address the challenges associated with the integration of large and co-located loads.

3. As discussed below, we find that ISO-NE's existing Transmission, Markets and Services Tariff (Tariff) appears to be unjust, unreasonable, or unduly discriminatory or preferential. We thus institute a show cause proceeding pursuant to section 206 of the Federal Power Act (FPA),⁹ and we direct ISO-NE and the Participating Transmission Owners,¹⁰ within 60 days of the date of this order, to either:

(1) show cause as to why the Tariff remains just and reasonable and not unduly discriminatory or preferential without provisions addressing:

(a) the application process, study procedures, and ongoing operational requirements that apply to Eligible Customers¹¹ seeking transmission service on behalf of large loads;

⁹ 16 U.S.C. § 824e.

¹⁰ Participating Transmission Owners refers to the entities listed in the caption of this order. We recognize that ISO-NE's transmission owners include entities that are not subject to the Commission's jurisdiction because they are not public utilities pursuant to section 201(f) of the FPA. *See* 16 U.S.C. § 824(f); *Sw. Power Pool, Inc.*, 180 FERC ¶ 61,022, at PP 44-45 (2022). Accordingly, the Commission has not included Town of Braintree Electric Light Department; Chicopee Municipal Lighting Plant; Connecticut Municipal Electric Energy Cooperative; Connecticut Transmission Municipal Electric Energy Cooperative; The City of Holyoke Gas and Electric Department; Town of Hudson Light and Power Department; Massachusetts Municipal Wholesale Electric Company; Town of Middleborough Gas & Electric Department; New Hampshire Electric Cooperative, Inc.; Town of Norwood Municipal Light Department; Town of Reading Municipal Light Department; Shrewsbury Electric and Cable Operations; Town of Stowe Electric Department; Taunton Municipal Lighting Plant; Vermont Public Power Supply Authority; and Town of Wallingford, CT, Department of Public Utilities, Electric Division here as Participating Transmission Owners that must respond to this order to show cause. Nonetheless, the Commission retains the authority to review each entity's formula rates as a component of ISO-NE's Tariff in an order to show cause directed towards ISO-NE, and ISO-NE must respond to this order regarding the non-public utilities' ISO-NE Tariff provisions on file with the Commission. *See Sw. Power Pool, Inc.*, 180 FERC ¶ 61,022 at P 40.

¹¹ ISO-NE's Tariff defines an Eligible Customer as:

(i) Any entity that is engaged, or proposes to engage, in the wholesale or retail electric power business is an Eligible

(b) additional transparency concerning the network upgrade costs to provide transmission service to Eligible Customers on behalf of large loads, a *pro forma* cost recovery agreement between ISO-NE, the relevant transmission owner, and Eligible Customer taking transmission service on behalf of the large load to mitigate the risk of cost shifting among transmission customers, and a mechanism to ensure such payments are appropriately credited toward transmission owners' transmission revenue requirements consistent with the Commission's cost-of-service regulations;

(c) the rates, terms, and conditions of service that apply to co-location arrangements;

(d) transmission services that reflect Eligible Customers taking transmission service on behalf of co-located loads, load with behind the meter generation, and flexible large loads that are willing and able to limit their use of the transmission system under certain conditions;¹² and

Customer under the [Tariff]. (ii) Any electric utility (including any power marketer), Federal power marketing agency, or any other entity generating electric energy for sale or for resale is an Eligible Customer under the [Tariff]. . . . (iii) Any end user taking or eligible to take unbundled transmission service or Local Delivery Service pursuant to a state requirement that the Transmission Owner with which that end user is directly interconnected or the distribution company having the service territory in which that entity is located (if that entity is a retail customer) offer the transmission service or Local Delivery Service, or pursuant to a voluntary offer of such service by the Transmission Owner with which that end user is directly interconnected, or the distribution company having the service territory in which that entity is located (if that entity is a retail customer) is an Eligible Customer under the [Tariff].

ISO-NE, Transmission, Markets and Services Tariff, § I.2 (Rules of Construction; Definitions) (177.0.0), § I.2.2 (ISO-NE Tariff).

¹² As explained below, for purpose of this order, "flexible" large loads are a subset of large loads, as used in this order, that are not co-located with generation, but are willing and able to limit their energy withdrawals from the transmission system under certain conditions. *See infra* note 221.

(e) the rates, terms, and conditions of service applicable to interconnection customers serving electrically proximate large load or co-located load; or

(2) explain what changes to the Tariff would remedy the identified concerns if the Commission were to determine that the Tariff has in fact become unjust and unreasonable or unduly discriminatory or preferential and, therefore, proceeds to establish a replacement Tariff.

4. We are also concerned with ISO-NE's need to ensure adequate generation to serve new large loads.¹³ We therefore direct ISO-NE to submit, within 30 days of the date of issuance of this order, an informational report on how ISO-NE intends to ensure that adequate generation will be available to serve existing and new large loads, as detailed later in this order.

5. We recognize that large loads, including data centers, are actively working with transmission owners and other relevant entities to interconnect to, and to take service from, the transmission system. We appreciate that different large loads are currently at different stages of that process. We also understand that large loads and Eligible Customers taking transmission service on behalf of large loads are negotiating, entering into, and/or have executed various agreements related to interconnecting to the transmission system and/or the provision of transmission service. This proceeding is not intended to disrupt existing commercial arrangements, but rather to establish prospective reforms. Accordingly, any Tariff revisions offered by ISO-NE and/or the Participating Transmission Owners in response to this proceeding should (a) propose a reasonable implementation period to ensure minimal disruption to such existing commercial arrangements, and (b) allow a reasonable amount of time to finalize ongoing agreements that are nearing completion as of the date such Tariff provisions are filed with the Commission. Such proposed Tariff revisions should include a reasonable effective date that accommodates such considerations regarding these existing commercial arrangements.

I. Background

A. Growth of Large and Co-Located Loads and ANOPR

6. As the Secretary explained in the ANOPR, electricity demand in the United States is expected to grow at an extraordinary pace in the near term, largely due to the rapid

¹³ Cf. PJM Co-Location Order, 193 FERC ¶ 61,217 at PP 237-239 (highlighting PJM's ongoing Critical Issue Fast Path stakeholder process to consider proposals to help integrate large load additions without causing resource inadequacy and directing an informational report on the status of those proposals).

growth of large loads.¹⁴ The Secretary highlighted findings from the North American Electric Reliability Corporation (NERC) that show that demand growth is now higher than at any point in the past two decades, driven in part by increasing quantities of large commercial and industrial load, most notably data centers, connecting rapidly to the transmission system.¹⁵ The Secretary also highlighted NERC's conclusion that the size and speed with which data centers can be connected to the grid present unique challenges for demand forecasting and system planning. The ANOPR proposed that, in light of the unprecedented current and expected growth of large loads seeking to interconnect to the transmission system, the Commission should standardize interconnection procedures and agreements for large loads, including those that seek to share a point of interconnection with new or existing generation facilities.¹⁶

7. On April 16, 2026, the Commission issued an order regarding its intent to act with respect to the ANOPR docket.¹⁷ In that order, the Commission explained that it agreed with the Secretary "that, '[i]n light of the unprecedented current and expected growth of large loads' such as data centers, there is an urgent need for thoughtful reforms to ensure that large loads are 'able to connect to the transmission system in a timely, orderly, and non-discriminatory manner.'"¹⁸ After recognizing the Commission's recent actions in proceedings involving issues associated with large loads,¹⁹ the Commission concluded

¹⁴ ANOPR at 2 (citing U.S. Dep't of Energy, *Resource Adequacy Report: Evaluating the Reliability & Security of the United States Electric Grid* (July 2025), www.energy.gov/sites/default/files/2025-07/DOE%20Final%20EO%20Report%20%28FINAL%20JULY%207%29.pdf).

¹⁵ *Id.* (citing NERC, *2024 Long- Term Reliability Assessment* 8 (Dec. 2024, updated July 2025), https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC_Long%20Term%20Reliability%20Assessment_2024.pdf).

¹⁶ *Id.* P 12. For example, the ANOPR proposed that load and hybrid facilities should be studied together with generating facilities, observing that "siting a large load near or at the same point of interconnection as a new generating facility could reduce the network upgrades needed to interconnect only the load or only the generating facility." ANOPR at P 20.

¹⁷ *Interconnection of Large Loads to the Interstate Transmission Sys.*, 195 FERC ¶ 61,045 (2026) (Order Regarding Intent to Act).

¹⁸ *Id.* P 2.

¹⁹ *Id.* (citing PJM Co-Location Order, 193 FERC ¶ 61,217; SPP HILL Order, 194 FERC ¶ 61,031; *Commonwealth Edison Co.*, 194 FERC ¶ 61,181; *Tri-State Generation & Transmission Ass'n*, 193 FERC ¶ 61,070; *Duke Energy Carolinas, LLC*,

that it was clear that additional “action is warranted to support further progress where it is needed.”²⁰

8. ISO-NE states that, while New England has not experienced data center proposals to the extent seen in other regions of the country to date,²¹ it is aware of interest in large load development within its footprint and is prioritizing preparation for the potential of large load additions.²² In 2026, in acknowledgement of the potential growth of large loads in the region, ISO-NE included a separate projection for large load nameplate capacity for the first time in its Capacity, Energy, Loads, and Transmission (CELT) load forecast.²³ ISO-NE also recently presented on its efforts to plan for large load growth in the region at the 2026 New England Conference of Public Utilities Commissioners.²⁴ Eversource notes in its ANOPR comments that the rapid onset of the interconnection of large loads around the country, especially data center and electrification projects, represents an unprecedented sea change in the industry.²⁵ Additionally, the Commission has recently accepted several study agreements filed by multiple transmission owners in ISO-NE that include terms and conditions for conducting studies concerning the viability of interconnecting large loads.²⁶ Further, the Southeast PIOs in their ANOPR comments

193 FERC ¶ 61,237).

²⁰ *Id.* PP 3-4.

²¹ ISO-NE, *ISO-NE’s Response to Chairman David Rosner’s September 18, 2025 Letter Seeking a Dialogue on Large Load Growth in New England* 1 (Oct. 6, 2025), <https://www.iso-ne.com/static-assets/documents/100028/large-load-forecasting-isone-response.pdf> (ISO-NE Letter).

²² *Id.*; *see also* ISO-NE, *Final Draft 2026 Large Load Forecast* 3 (Mar. 27, 2026), https://www.iso-ne.com/static-assets/documents/100033/fx2026_large_loads.pdf (noting that there are a couple hundred MW of large loads in the formal study phase) (ISO-NE Large Load Forecast Presentation).

²³ *See* ISO-NE Large Load Forecast Presentation at 14.

²⁴ *See* ISO-NE, *Planning for Large Loads in New England* (May 20, 2026), https://www.iso-ne.com/static-assets/documents/100035/iso_large_loads_necpuc_symposium_mcbride.pdf.

²⁵ Eversource November 21 ANOPR Comments at 2.

²⁶ *See, e.g.,* *NSTAR Elec. Co.*, Docket No. ER21-2696-000 (Oct. 14, 2021) (delegated order); *Pub. Serv. Co. of N.H.*, ER24-2522-000 (Aug. 30, 2024) (delegated order); *NSTAR Elec. Co.*, Docket No. ER25-1796-000 (May 27, 2025) (delegated order); *NSTAR Elec. Co.*, Docket No. ER25-1795-000 (May 27, 2025) (delegated order); *The*

cite to a Report from NESCOE, which states that while the New England area may have less data center development currently than areas such as Virginia, data center issues are likely to become more salient in New England as other markets become saturated and power and land availability becomes an issue.²⁷ Moreover, recent news articles note increased interest in data center development throughout the region.²⁸

9. Although some commenters in the ANOPR proceeding assert that ISO-NE's existing processes effectively facilitate the interconnection of large loads,²⁹ many other entities support additional reforms addressing large and co-located loads. ISO-NE agrees that clear rules should be developed, in part based on its existing processes, for integrating large loads and co-location arrangements onto the transmission system.³⁰ Entities in ISO-NE highlight the unique planning and reliability challenges that large and co-located loads pose for the region.³¹ NESCOE states that regulators should prioritize

Conn. Light & Power Co., Docket No. ER26-1158-000 (Mar. 18, 2026) (delegated order); *The Conn. Light & Power Co.*, Docket No. ER26-1597-000 (Apr. 21, 2026) (delegated order).

²⁷ Southeast PIOs November 21 ANOPR Comments at 36 (citing NESCOE, *Data Centers and the Power System: A Primer*, at 4 (2024), <https://nescoe.com/resource-center/data-centers-primer/>).

²⁸ See, e.g., Jon Lamson, Data Center Interest, *Opposition on the Rise in New England*, *RTO Insider* (Apr. 2, 2026), <https://www.rtoinsider.com/129446-data-center-interest-opposition-on-the-rise-new-england/#/>; Patrick Anderson, *Why RI Now Finds Itself in the Center of the Data Center Debate*, *The Providence Journal* (Apr. 20, 2026), <https://www.providencejournal.com/story/news/politics/state/2026/04/20/ri-debates-building-and-regulating-data-centers-starting-in-smithfield/89594859007/>; Sabrina Shankman, *An Economic Opportunity, or an Energy Crisis in Waiting? Data Centers Are Coming to Massachusetts*, *Boston Globe* (Jun. 6, 2025), <https://www.bostonglobe.com/2025/06/06/science/an-economic-opportunity-or-an-energy-crisis-waiting-data-centers-are-coming-massachusetts/>.

²⁹ See New England Consumer-Owned Systems November 21 ANOPR Comments at 22 (“To the extent that large-load development accelerates in New England, the region already has a mature, carefully tailored set of interconnection requirements that reflect unique reliability characteristics, transmission constraints, and long-standing market design.”); see also Eversource November 21 ANOPR Comments at 5-6 (“In Eversource’s experience, prospective large loads overwhelmingly prefer the retail construct.”).

³⁰ ISO-NE November 21 ANOPR Comments at 2.

³¹ NESCOE November 21 ANOPR Comments at 2-3, 12; New England Consumer-Owned Systems November 21 ANOPR Comments at 26-27 (noting that the

maintaining grid reliability and energy affordability.³² New England Consumer-Owned Systems assert that the Commission should adopt safeguards to ensure that large and co-located loads are integrated onto the transmission system without introducing unacceptable reliability concerns.³³ Additionally, National Grid states that its own experience in New England has confirmed the need to define the rules for large load interconnections, and supports reforms that capture the efficiencies of generation paired with electrically proximate large load.³⁴

10. Some entities are also concerned with protecting ratepayers from cost shifts caused by large and co-located loads.³⁵ National Grid states that innovative solutions to integrate large loads will reduce the amount of system upgrades required, which will in turn benefit existing ratepayers by exposing them to less risk of higher costs associated with new upgrades.³⁶ Other commenters argue that the Commission should provide mechanisms for additional load flexibility.³⁷ New England Consumer-Owned Systems also highlight the potential for co-location arrangements to avoid certain wholesale charges, including transmission and ancillary services charges.³⁸

11. Moreover, many commenters in the ANOPR proceeding filed persuasive comments documenting, generally, the need for clear and consistent tariff provisions to

risks of large load are particularly acute in New England because ISO-NE has significant transmission constraints and has a system peak that is only approximately 30,000 MW, such that the consequences of large or co-located loads improperly operating could be severe).

³² NESCOE November 21 ANOPR Comments at 2-3.

³³ New England Consumer-Owned Systems November 21 ANOPR Comments at 26-27.

³⁴ National Grid November 21 ANOPR Comments at 2-3, 17-18.

³⁵ Maine Public Advocate November 21 ANOPR Comments at 2; New England Consumer-Owned Systems November 21 ANOPR Comments at 4, 19-20; State Entities November 21 ANOPR Comments at 7-8.

³⁶ National Grid November 21 ANOPR Comments at 2-3.

³⁷ Maine Public Advocate November 21 ANOPR Comments at 4-5; State Entities November 21 ANOPR Comments at 8.

³⁸ New England Consumer-Owned Systems November 21 ANOPR Comments at 13-14.

ensure regulatory and process certainty, fairness and consistency, and efficiency as large and co-located loads are added to the transmission system in increasing numbers.³⁹ There is also broad support for rules that help to ensure that other transmission customers are not unfairly burdened with additional costs or reliability impacts as large and co-located loads interconnect to the transmission system.⁴⁰ In addition, many ANOPR commenters highlighted the need to efficiently integrate large loads, particularly data centers, to support national security priorities and economic development.⁴¹

B. Recent Proceedings Addressing Large and Co-Located Loads

12. Over the past year, the Commission has begun to address, both *sua sponte* and in response to complaints and FPA section 205⁴² filings, the growing use of co-location arrangements.⁴³ The Commission's orders in those proceedings have addressed the need

³⁹ See, e.g., AI Supply Chain Alliance November 21 ANOPR Comments at 2; Calibrant November 21 ANOPR Comments at 1-3; CEBA November 21 ANOPR Comments at 9-11; Constellation November 21 ANOPR Comments at 6; DCC November 21 ANOPR Comments at 3-4; ECA November 21 ANOPR Comments at 7-11; EPSA November 21 ANOPR Comments at 4-6; Infrastructure Masons December 5 ANOPR Comments at 4-7; Microsoft November 21 ANOPR Comments at 9-10; National Grid November 21 ANOPR Comments at 7; ODEC December 5 ANOPR Comments at 2-4; R Street November 21 ANOPR Comments at 3; Switch December 5 ANOPR Comments at 3; Tract November 21 ANOPR Comments at 5; Vantage November 21 ANOPR Comments at 5-6; Vistra December 5 ANOPR Comments at 1-2.

⁴⁰ See, e.g., APPA November 21 ANOPR Comments at 6; Buckeye November 21 ANOPR Comments at 17; Exelon November 21 ANOPR Comments at 10; Kansas Commission November 21 ANOPR Comments at 12; NCSL November 21 ANOPR Comments at 1; NRECA November 21 ANOPR Comments at 8-9; NY UIU November 21 ANOPR Comments at 3; OCC November 21 ANOPR Comments at 9; Oklo December 5 ANOPR Comments at 3; Southeast PIOs December 5 ANOPR Comments 11-15; State Entities November 21 ANOPR Comments at 7-8; Tri-State November 21 ANOPR Comments at 8; UCS November 21 ANOPR Comments at 9-11; U.S. Representatives November 21 ANOPR Comments at 1.

⁴¹ See, e.g., AI Supply Chain Alliance November 21 ANOPR Comments at 2; DCC November 21 ANOPR Comments at 3; ECA November 21 ANOPR Comments at 6; Geronimo November 21 ANOPR Comments at 1-2; Google November 21 ANOPR Comments at 2-3; Verrus December 5 ANOPR Comments at 2.

⁴² 16 U.S.C. § 824d.

⁴³ See PJM Show Cause Order, 190 FERC ¶ 61,115; PJM Co-Location Order, 193 FERC ¶ 61,217, *order on reh'g*, PJM Co-Location Rehearing Order, 195 FERC ¶

for clear and consistent tariff provisions regarding the rates, terms, and conditions of service that apply to co-location arrangements and for transmission services that reflect Eligible Customers taking transmission service on behalf of co-located loads and load with behind the meter generation that are willing and able to limit their energy withdrawals from the transmission system under certain conditions. Several other Commission proceedings have addressed the challenges of integrating large loads onto the transmission system, including the need for clear and consistent tariff provisions regarding the provision of transmission service to Eligible Customers on behalf of large loads and for interconnection customers serving electrically proximate large load. As explained below, these proceedings provide examples that will help to ensure that jurisdictional transmission service is provided in a manner that is just and reasonable and maintains reliability as large loads are integrated onto the transmission system and co-location arrangements become more common. It is in this context that the Commission now considers whether ISO-NE's Tariff remains just and reasonable without similar provisions.

1. PJM Co-Location Proceedings

13. On February 20, 2025, the Commission initiated a show cause proceeding against PJM and the PJM transmission owners regarding the lack of tariff provisions addressing with sufficient clarity or consistency the rates, terms, and conditions of service that apply to co-location arrangements.⁴⁴ The Commission explained when initiating that proceeding that the absence of such provisions may leave entities unable to determine what steps they can or must take to effectuate co-location arrangements of various configurations and how to do so in a manner that is just and reasonable.⁴⁵ On December 18, 2025, the Commission found that PJM's tariff was indeed unjust and unreasonable because it does not contain provisions addressing with sufficient clarity or consistency the rates, terms, and conditions of service that apply to interconnection customers serving co-located load and Eligible Customers taking transmission service on behalf of co-located load.⁴⁶

61,209; SPP HILL Order, 194 FERC ¶ 61,031; SPP CHILLS Order, 195 FERC ¶ 61,196.

⁴⁴ See PJM Show Cause Order, 190 FERC ¶ 61,115.

⁴⁵ *Id.* P 74. The PJM Show Cause Order defined co-located load as a “configuration [that] refers to end-use customer load that is physically connected to the facilities of an existing or planned Customer Facility on the Interconnection Customer's side of the Point of Interconnection (‘POI’) to the PJM Transmission System.” *Id.* P 3 n.4.

⁴⁶ PJM Co-Location Order, 193 FERC ¶ 61,217.

14. Specifically, the Commission found that the PJM tariff was unjust and unreasonable because there is a lack of sufficient clarity or consistency as to the rates, terms, and conditions of service that apply to interconnection customers serving co-located load.⁴⁷ The Commission also found that PJM's tariff was unjust and unreasonable because it does not include transmission services that reflect Eligible Customers taking transmission service on behalf of co-located loads that are willing and able to limit their energy withdrawals from the transmission system under certain conditions.⁴⁸ Additionally, the Commission found that PJM's behind the meter generation rules were no longer just and reasonable.⁴⁹ The Commission directed PJM to file a compliance filing to revise its tariff: (1) to set forth specific terms and conditions that an interconnection customer in PJM seeking to serve co-located load must follow in order to effectuate a co-location arrangement;⁵⁰ (2) to require that the Eligible Customer taking transmission service on behalf of co-located load takes one of three transmission services: (a) network integration transmission service (NITS) or a new interim, non-firm transmission service while network upgrades to provide full NITS service are constructed (interim NITS); (b) a new firm contract demand transmission service; or (c) a new non-firm contract demand transmission service;⁵¹ (3) to revise the behind the meter generation rules and implement a transition process for existing behind the meter generation participants;⁵² and (4) to make several clarifications on how certain aspects of PJM's generator interconnection process apply to interconnection customers seeking to serve co-located load.⁵³

15. On June 18, 2026, concurrently with the instant order, the Commission issued an order modifying the discussion in the PJM Co-Location Order and setting aside the order in part; accepting in part and rejecting in part PJM's compliance filing, and directing a further compliance filing; and establishing as just and reasonable certain rates, terms, and

⁴⁷ *Id.* P 176.

⁴⁸ *Id.* P 177.

⁴⁹ *Id.* P 179.

⁵⁰ *Id.* PP 187-192, 225-230.

⁵¹ *Id.* PP 193-218. The Commission also established a paper hearing to determine the just and reasonable rates, terms, and conditions for the new transmission services. *Id.* PP 219-20.

⁵² *Id.* PP 221-224.

⁵³ *Id.* PP 161, 231-36.

conditions for the new transmission services (i.e., interim NITS, firm contract demand transmission service, and non-firm contract demand transmission service).⁵⁴

2. SPP High Impact Large Load and High Impact Large Load Generation Assessment Processes

16. On January 14, 2026, the Commission accepted revisions to SPP's tariff to add a high impact large load (HILL) study process and High Impact Large Load Generation Assessment (HILLGA) process.⁵⁵ SPP's tariff revisions established HILLs as a new category of load;⁵⁶ imposed enhanced study requirements to enable SPP to assess the HILL's reliability impacts on the transmission system;⁵⁷ and created additional, ongoing operational requirements for transmission customers serving HILLs to ensure continued reliability of the transmission system.⁵⁸ The tariff revisions also established the HILLGA

⁵⁴ PJM Co-Location Rehearing Order, 195 FERC ¶ 61,209 at PP 7-9. PJM's compliance filing proposing revisions in response to the Commission's directives regarding clarification that certain aspects of PJM's generator interconnection process apply to interconnection customers seeking to serve co-located load was accepted in part on April 16, 2026. *PJM Interconnection, L.L.C.*, 195 FERC ¶ 61,030 (2026).

⁵⁵ SPP HILL Order, 194 FERC ¶ 61,031 at PP 61, 64.

⁵⁶ SPP defines a HILL as:

A new commercial or industrial load, or increase in commercial or industrial load, at a single site connected through one or more shared Points of Interconnection (POIs) or delivery points, where such load is either (1) 10 MW or more if connected to the Transmission System at a voltage level less than or equal to 69 [kilovolts (kV)]; or (2) 50 MW or more if connected to the Transmission System at a voltage level greater than 69 kV. An Electric Storage Resource is not considered a HILL.

SPP, Open Access Transmission Tariff, Sixth Revised Vol. No. 1, pt. I, § 1 (Definitions H) (1.0.0).

⁵⁷ SPP HILL Order, 194 FERC ¶ 61,031 at PP 13-17 (explaining that the HILL process requires up to three additional studies beyond those required of all transmission service requests for transmission customers requesting to add or modify a delivery point associated with a HILL, including a HILL delivery point study, HILL supplemental load connection study, and potential supplemental Electromagnetic Transient study).

⁵⁸ *Id.* P 18 (explaining that market participants registering a HILL must (1) follow

process, a new generator interconnection service and related interconnection process to facilitate the prompt interconnection of generating facilities that are specifically identified for, and limited to, serving a HILL and are located no more than two substations away from the HILL.⁵⁹

17. The Commission stated that SPP demonstrated that the “unprecedented growth in large loads in the SPP region presents significant and unique operational and planning challenges.”⁶⁰ The Commission found that SPP demonstrated that its proposed HILL process was a just and reasonable approach for integrating transmission customers’ new large loads onto SPP’s transmission system in a reliable manner.⁶¹ The Commission found that it was reasonable to impose additional study requirements and other proposed requirements given the unique operating characteristics of HILLs. The Commission further found that the proposed study requirements would ensure the reliable integration of the transmission customer’s HILLs onto SPP’s transmission system and would provide SPP with information about their impact on SPP’s transmission system, including the transmission system’s ability to withstand and control disturbances by the HILL at the point of interconnection.⁶² In addition, the Commission found that the proposed study deposits would discourage speculative HILL study requests.⁶³ Finally, the Commission

all nonconforming load requirements (e.g., additional load forecast requirements); (2) provide load data via telemetry in real time; (3) have remote capability to disconnect the load from the transmission system made available to the transmission operator; (4) have an up/down ramp rate not exceeding 20 MW per minute unless otherwise directed; (5) include additional information with registration; and (6) not have withdrawals from the transmission system without appropriate transmission service); *id.* P 19 (explaining that the transmission owner, at the transmission customer’s expense, must install a phasor measurement unit or similar equipment); *id.* PP 20-21 (explaining that the transmission customer will be required to comply with ride-through requirement guidelines).

⁵⁹ *Id.* P 27 (explaining that, under the HILLGA process, SPP proposes to study HILLGA requests to determine whether any network upgrades are needed to accommodate the generating facility’s injection to the local area); *id.* P 32 (explaining that SPP will grant HILLGA customers a new type of interconnection service, load limited resource interconnection service, which grants limited interconnection service solely to serve the associated HILL).

⁶⁰ *Id.* P 60.

⁶¹ *Id.* P 61.

⁶² *Id.* P 62.

⁶³ For the HILL delivery point study, SPP required a \$10,000 non-refundable application fee and a \$100,000 study deposit, with an additional \$200,000 study deposit if

concluded that the proposed ongoing reliability requirements would allow SPP to maintain reliable operation of its transmission system by increasing SPP's visibility, providing necessary data, and imposing real-time operational safeguards for HILLs.⁶⁴ In accepting HILLGA, the Commission found that "SPP's HILLGA process reasonably provides a flexible, expedited, and separate serial interconnection process that will facilitate the prompt interconnection of generating facilities that are limited to serving a HILL in the same local area."⁶⁵

3. SPP Conditional High Impact Large Load Service

18. On June 5, 2026, the Commission accepted revisions to SPP's tariff to add a new type of non-firm transmission service, conditional high impact large load service (CHILLS).⁶⁶ CHILLS allows transmission customers serving HILLs to reliably receive transfers of energy until sufficient designated resources and/or network upgrades are in place to support long-term, firm transmission service.⁶⁷ CHILLS is an as-available transmission service that will transfer energy to designated points of delivery to serve the portion of a HILL eligible to receive CHILLS, subject to curtailment and interruption.⁶⁸ CHILLS has a maximum term of seven years, which is intended to incentivize transmission customers seeking CHILLS to obtain the designated resources and/or complete the network upgrades needed to procure long-term firm transmission service through existing tariff processes.⁶⁹

19. The Commission found that SPP had shown that unprecedented growth in large loads presents significant and unique operational and planning challenges.⁷⁰ The Commission also found that SPP's ability to add HILLs to its transmission system in a

an Electromagnetic Transient study was also required. *Id.* P 15. For the HILL supplemental load connection study, SPP allows the host transmission owner to require a \$25,000 study deposit. *Id.* P 16.

⁶⁴ *Id.* P 63.

⁶⁵ *Id.* P 64.

⁶⁶ SPP CHILLS Order, 195 FERC ¶ 61,196 at P 1.

⁶⁷ *Id.* P 7.

⁶⁸ *Id.* PP 9-10.

⁶⁹ *Id.* P 9.

⁷⁰ *Id.* P 84.

timely manner may be limited due to delays in obtaining sufficient designated resources and completing network upgrades needed to provide long-term firm transmission service to such load.⁷¹ The Commission concluded that CHILLS is a just and reasonable and not unduly discriminatory or preferential approach to addressing the need to expeditiously interconnect and provide transmission service to new HILLs, while maintaining the reliable operation of SPP's transmission system.⁷²

II. ISO-NE's Existing Processes

A. Existing Tariff Processes

20. ISO-NE's Tariff sets forth the processes by which an Eligible Customer may request Regional Network Service, Local Network Service, and firm or non-firm Local Point-to-Point Service. Regional Network Service⁷³ is transmission service over Pool Transmission Facilities (PTF) provided by ISO-NE to Network Customers⁷⁴ to serve their loads.⁷⁵ Network Customers taking Regional Network Service must also take Local Network Service.⁷⁶

21. In order for ISO-NE to provide Regional Network Service to any Eligible Customer, (1) the Eligible Customer must submit an application for Regional Transmission Service (which includes a request to recognize a new Regional Network Load); (2) the Eligible Customer and ISO-NE complete the technical arrangements set forth in sections II.16.3 and II.16.4 of ISO-NE's Tariff; and (3) the Eligible Customer must either have an executed (or a filed unexecuted) Market Participant Service

⁷¹ *Id.*

⁷² *Id.*

⁷³ ISO-NE Tariff, § II.11 (Nature of Regional Network Service) (2.0.0).

⁷⁴ Network Customer is a "Transmission Customer receiving [Regional Network Service] or [Local Network Service]." *Id.* § I.2.2. A Transmission Customer is "any Eligible Customer that (i) executes, on its own behalf or through its Designated Agent, an [Market Participant Service Agreement] or [Transmission Service Agreement]" or requests to file an unexecuted agreement. *Id.*

⁷⁵ PTF are transmission facilities rated 69 kV or above required to allow energy from significant power sources to move freely on the New England Transmission System owned by Participating Transmission Owners, and operated by ISO-NE. *See id.* § II.49 (Definition of PTF) (2.0.0).

⁷⁶ *See id.* § II.23 (Application of Part II.B to Transmission Customers) (0.0.0).

Agreement, or have an executed (or request a filed unexecuted) Service Agreement for Regional Network Service.⁷⁷

22. When an Eligible Customer requests Regional Network Service, ISO-NE reviews the effect of the requested service on the reliability requirements to meet existing and pending obligations of any affected transmission owner(s) and on the obligations of the particular Participating Transmission Owner and determines whether evaluation as part of a Cluster Study is needed.⁷⁸ The Cluster Study is also used to process all requests for generator interconnection service, as well as to process requests made under ISO-NE's Elective Transmission Upgrade Interconnection Procedures.⁷⁹ An Eligible Customer seeking transmission service on behalf of load must execute a Cluster Study Agreement and submit it to ISO-NE, together with study and commercial readiness deposits and technical data required of new requests for Network Resource Interconnection Service by Schedule 22 (for requests greater than 20 MW) and Schedule 23 (for requests up to 20 MW).⁸⁰ The Cluster Study consists of a short circuit analysis, a stability analysis, a power flow analysis, such as electromagnetic transient analysis, including thermal analysis and voltage analysis, a system protection analysis, and any other analyses that are deemed necessary by ISO-NE in consultation with the interconnecting transmission owner.⁸¹

23. If ISO-NE finds that it is likely that a Direct Assignment Facility⁸² will be required, a portion of the Cluster Study evaluation shall be performed by the affected

⁷⁷ *Id.* § II.16 (Initiating Service) (1.0.0); *id.* attach. B (Service Agreement for Regional Network Service) (1.0.0).

⁷⁸ *Id.* § II.19 (Study Procedures for Regional Network Service Requests) (3.0.0), II.19.1, II.19.2.

⁷⁹ *Id.* Schedule 25 (Elective Transmission Upgrade Interconnection Procedures) (12.0.0), § 3.3.2.

⁸⁰ *Id.* § II.19.1; *see also id.* Schedule 22 (Large Generator Interconnection Procedures) (26.0.0), § 7.2.; *id.* Schedule 23 (Small Generator Interconnection Procedures) (23.0.0), § 7.2.

⁸¹ *Id.* Schedule 22, § 7.3.

⁸² Direct Assignment Facilities are defined in part as “facilities or portions of facilities that are constructed for the sole use/benefit of a particular Transmission Customer requesting service under the [Tariff] or a Generator Owner requesting an interconnection. Direct Assignment Facilities . . . shall be paid for by the [Transmission] Customer.” *Id.* § I.1.2.

Participating Transmission Owner(s), subject to review by ISO-NE.⁸³ If ISO-NE determines that network upgrades are needed to accommodate the Eligible Customer's request for Regional Network Service, ISO-NE, the transmission owner, or a third party consultant for the interconnection customer will conduct a Facilities Study.⁸⁴ The costs of the network upgrades needed to accommodate the Eligible Customer's request for Regional Network Service will be allocated to the Eligible Customer in the same manner that the costs of upgrades to accommodate generating facilities are allocated pursuant to Schedule 11 of the Tariff.⁸⁵ The cost responsibility for network upgrades identified as needed to support requests for Regional Transmission Service are allocated to the transmission Customer as follows: (1) if the network upgrade is found to be a Cluster Enabling Transmission Upgrade,⁸⁶ the costs are allocated based on the request's relative distribution impact in the cluster;⁸⁷ or (2) if the network upgrade is not a Cluster Enabling Transmission Upgrade, the costs for System Network Upgrades are allocated based on the request's proportional impact on the need for such upgrade, and the costs for Substation Network Upgrades shall be allocated first per capita for each Interconnection Facility interconnecting to the substation at the same voltage level, then per capita to each generating facility or Elective Transmission Upgrade Interconnection Customer sharing the Interconnection Facility.⁸⁸

24. Network Customers must follow certain operating arrangements, terms, and conditions.⁸⁹ For example, the Tariff requires that ISO-NE, the applicable Participating

⁸³ *Id.* § II.19.1.

⁸⁴ *Id.* § II.19.2.

⁸⁵ *Id.* § II.19.4.

⁸⁶ A Cluster Enabling Transmission Upgrade is new significant transmission line infrastructure that is identified in the Cluster Enabling Transmission Upgrade Regional Planning Study conducted in accordance with Tariff Section II, Attachment K. A Cluster Enabling Transmission Upgrade Regional Planning Study is, in turn, carried out to enable interconnection requests when either (1) two or more interconnection requests have been withdrawn from a Cluster Study Process in the same electrical part of the New England control Area, or (2) procurements are underway for resources in the same electrical part of the New England Control Area. *See id.* Schedule 22, §§ 1, 4.2.1; *id.* Schedule 23, §§ 1, 4.2.1; *id.* Schedule 25, §§ 1, 4.2.1.

⁸⁷ *Id.* Schedule 11 (6.0.0), § 5(i).

⁸⁸ *Id.* Schedule 11, § 5(ii)(1)(a-b).

⁸⁹ *Id.* § II.22 (Operating Arrangements) (2.0.0).

Transmission Owner(s), and the Network Customer operate and maintain equipment necessary for integrating the Network Customer within the PTF (including, but not limited to, remote terminal units, metering, communications equipment, and relaying equipment).⁹⁰ The Network Customer also has a reporting obligation to respond promptly and completely to ISO-NE's and the applicable Participating Transmission Owners' reasonable requests for information, including, but not limited to, data necessary for operations, maintenance, regulatory requirements, and analysis.⁹¹ Under emergency system operations, the Network Customer's equipment and facilities are subject to all applicable emergency operation standards required of and by ISO-NE to operate in an interconnected transmission network.⁹² The Tariff also allows ISO-NE to take whatever actions it deems necessary during emergency operating conditions to: (i) preserve the integrity of its transmission system; (ii) limit or prevent damage; (iii) expedite restoration of service; or (iv) preserve public safety.

25. Network Customers pay a charge that covers both local transmission and the costs of regional transmission. For local transmission costs, Network Customers pay a monthly rate calculated by determining a cost allocation factor based on the customer's coincident peak for the month multiplied by the Local Network rate for the area in which the customer takes service.⁹³ For regional transmission charges, Network Customers are allocated a Regional Network Service charge, which is determined by combining the annual transmission revenue requirements for the transmission owners of regional PTF and dividing by the average 12-month coincident peak for the region.⁹⁴

26. Local Network Service and Local Point-To-Point Service are Local Transmission Services, which are transmission services provided by Participating Transmission Owners over non-PTFs to transmission customers.⁹⁵ Eligible Customers may request Local Transmission Service through the Local Service processes in Schedule 21 of the ISO-NE

⁹⁰ *Id.* § II.22.2.

⁹¹ *Id.* § II.22.2(c).

⁹² *Id.* § II.22.2(i).

⁹³ *Id.* § II.21 (Rates and Charges) (8.0.0), II.21.1-2.

⁹⁴ *Id.* Schedule 9 (Regional Network Service) (5.0.0). PTFs include both existing transmission assets that benefit the regional network as well as new regional transmission planned to meet reliability and economic needs. *Id.* § II.49.

⁹⁵ *Id.* Schedule 21 (Local Service) (15.0.0), §§ I (Local Point-to-Point Service), II (Local Network Service). Non-PTFs are local transmission facilities owned and operated by local transmission owners.

Tariff. Each Participating Transmission Owner has its own Schedule 21 provisions filed in the ISO-NE Tariff specific to that Participating Transmission Owners' facilities. Studies performed to support Local Service requests are administered by the applicable Participating Transmission Owner as the transmission service provider. The transmission customer must agree to compensate the Participating Transmission Owner for any necessary transmission facility additions.⁹⁶ Local Network Upgrades and Direct Assignment Facilities costs are charged to the transmission customer.⁹⁷ Transmission customers must execute a Local Service Agreement prior to initiating Local Transmission Service.⁹⁸

27. In addition, Market Participants and Participating Transmission Owners must submit to ISO-NE for approval a Proposed Plan Application⁹⁹ for: (i) any additions or changes to resources or facilities under its control; and (ii) any new or materially changed plan for action, excluding deactivations or reductions in capacity for resources, that may have a significant adverse impact on the regional power system.¹⁰⁰ ISO-NE then conducts a "do no harm" reliability review to ensure the proposal does not have a significant adverse reliability impact prior to allowing the project to proceed. In performing electric planning and reliability studies, ISO-NE relies on the CELT Report as the primary source of assumptions. ISO-NE's Transmission Planning Technical Guide indicates that specific large proposed loads, such as data centers and large green house facilities, are not generally included in the CELT load forecast but may be included in a study such as the Proposed Plan Application depending on "the degree of certainty that

⁹⁶ *Id.* Schedule 21, §§ I.14, II.7.d.

⁹⁷ *Id.* Schedule 21, §§ I.1.e, II.9.

⁹⁸ *Id.* Schedule 21, §§ I.4.a.vi, II.3.a, attach. A (Form of Local Service Agreement).

⁹⁹ See ISO-NE, *Proposed Plan Applications*, <https://www.iso-ne.com/system-planning/transmission-planning/proposed-plan-applications>.

¹⁰⁰ ISO-NE Tariff, § I.3 (Obligations of MPs and Other Customers) (10.0.0), § I.3.9.

the large proposed load will come to fruition.”¹⁰¹ As we note above, however, a forecast of large load capacity was included in the latest 2026-2035 CELT Report.¹⁰²

28. ISO-NE processes large generator interconnection requests under Schedule 22 of its Tariff (Standard Large Generator Interconnection Procedures) and small generator interconnection requests under Schedule 23 of its Tariff (Standard Small Generator Interconnection Procedures).¹⁰³ ISO-NE processes both small and large generators in a single, integrated Cluster Study process. First, ISO-NE conducts a Cluster Study to evaluate the impact of the proposed interconnection on the reliability and operation of the New England Transmission System to identify the interconnection facilities and network upgrades that are required to reliably interconnect the generating facilities in that Cluster Study and a non-binding good faith estimate of cost responsibility.¹⁰⁴ Next, ISO-NE may conduct a Cluster Restudy if one or more interconnection customers withdraw from the cluster, the scope of which is consistent with the scope of an initial Cluster Study.¹⁰⁵ Finally, ISO-NE may conduct an Interconnection Facilities Study for each interconnection request to specify and provide a non-binding estimate of the cost of the equipment, engineering, procurement, and construction work needed to implement the conclusions of the Cluster Study report and electrically connect the interconnection facilities to the transmission system, unless the interconnection customer(s) elects to waive the facilities study.¹⁰⁶

29. Pursuant to the Tariff, an interconnection customer may request, and ISO-NE may provide, provisional interconnection service enabling the receipt of electric energy capability from the generating facility at the point of interconnection on a limited and temporary basis prior to completion of requisite interconnection facilities, network

¹⁰¹ See ISO-NE, *Transmission Planning Technical Guide* § 2.2.3 (May 23, 2025), https://www.iso-ne.com/static-assets/documents/100023/transmission_planning_technical_guide_rev8_3_final.pdf.

¹⁰² See *supra* P 8.

¹⁰³ ISO-NE Tariff, Schedule 22 (26.0.0), § 7.2.; *id.* Schedule 23 (23.0.0), § 7.2.

¹⁰⁴ *Id.* Schedule 22, § 7.3; see also *id.* Schedule 23, § 7.3 (Scope of Cluster Study).

¹⁰⁵ *Id.* Schedule 22, § 7.5 (Cluster Study Restudies); see also *id.* Schedule 23, § 7.5 (Cluster Study Restudies).

¹⁰⁶ *Id.* Schedule 22, §§ 8.1 (Interconnection Facilities Study Agreement), 8.2 (Scope of Interconnection Facilities Study); see also *id.* Schedule 23, §§ 8.1 (Interconnection Facilities Study Agreement), 8.2 (Scope of Interconnection Facilities Study).

upgrades, distribution upgrades, or system protection facilities.¹⁰⁷ In evaluating a request for provisional interconnection service, ISO-NE and the Interconnecting Transmission Owner shall determine, through available studies or additional studies as necessary, whether stability, short circuit, thermal, and/or voltage issues would arise if interconnection customer interconnects without modifications to the generating facility or the New England Transmission System. An interconnection customer may also request, and ISO-NE may provide, surplus interconnection service for unused capability of interconnection service at an existing point of interconnection.¹⁰⁸ Studies for surplus interconnection service may consist of reactive power, short circuit/fault duty, stability analyses, and/or other appropriate studies, and steady-state (thermal/voltage) analyses may also be performed as necessary to ensure that all required reliability conditions are studied.¹⁰⁹

B. Recent Stakeholder Proceedings in ISO-NE

30. ISO-NE recently indicated that it is engaging with transmission owners regarding potential large load interconnections, and that it is communicating with states to understand any potential policies creating incentives for data centers and to share information on how ISO-NE would review such proposed developments.¹¹⁰ Additionally, ISO-NE explained that it participates in several interregional initiatives on large loads as well as the upcoming NERC Large Load Task Force.¹¹¹ ISO-NE's Consumer Liaison Group met on June 2, 2026 to discuss data center issues.¹¹² Finally, although not directly related to large and co-located loads, ISO-NE is currently engaged with stakeholders to better address seasonal reliability challenges and to more accurately reflect resource contributions to resource adequacy.¹¹³

¹⁰⁷ *Id.* Schedule 22, app. 11, art. 5.9.2 (Provisional Interconnection Service); *see also id.* Schedule 23, app. 11, art. 1.6.3 (Provisional Interconnection Service).

¹⁰⁸ *Id.* Schedule 22, § 3.3 (Utilization of Surplus Service); *see also id.* Schedule 23 § 3.3 (Utilization of Surplus Interconnection Service).

¹⁰⁹ *Id.* Schedule 22, § 3.3.1; *see also id.* Schedule 23, § 3.3.1.

¹¹⁰ ISO-NE Letter at 1-2.

¹¹¹ *Id.* at 3.

¹¹² Jon Lamson, *ISO-NE Consumer Liaison Group Talks Data Center Impacts*, RTO Insider (June 7, 2026), <https://www.rtoinsider.com/133689-iso-ne-consumer-liaison-group-talks-data-center-impacts/>.

¹¹³ *See* ISO-NE, *Capacity Auction Reforms Key Project*, <https://www.iso->

31. While we are encouraged by ISO-NE's stakeholder efforts, and by its initial attention to the pressing concerns associated with large and co-located loads¹¹⁴ and to the Secretary's interest in these issues,¹¹⁵ we are initiating this FPA section 206 proceeding in order to ensure that ISO-NE's ongoing processes generate reforms that are sufficiently timely and comprehensive to address the concerns we today identify. As such, and as the Commission explained in the April Order Regarding Intent to Act, we find that the Commission must now take further action to ensure that ISO-NE promptly proposes revisions to ensure that its Tariff remains just and reasonable.

III. Discussion

32. Based on the discussion below, pursuant section 206 of the FPA, we direct ISO-NE and the Participating Transmission Owners, within 60 days of the date of this order, to either:

(1) show cause as to why the Tariff remains just and reasonable and not unduly discriminatory or preferential without provisions addressing:

(a) the application process, study procedures, and ongoing operational requirements that apply to Eligible Customers seeking transmission service on behalf of large loads;

(b) additional transparency concerning the network upgrade costs to provide transmission service to Eligible Customers on behalf of large loads, a *pro forma* cost recovery agreement between ISO-NE, the relevant transmission owner and Eligible Customer taking transmission service on behalf of the large load to mitigate the risk of cost shifting among transmission customers, and a mechanism to ensure such payments are appropriately credited towards transmission owners' transmission revenue requirements consistent with the Commission's cost-of-service regulations;

(c) the rates, terms, and conditions of service that apply to co-location arrangements;

(d) transmission services that reflect Eligible Customers taking transmission service on behalf of co-located loads, load with behind the

ne.com/committees/key-projects/capacity-auction-reforms-key-project.

¹¹⁴ See *id.* at 1.

¹¹⁵ See *supra* PP 6-7.

meter generation, and flexible large loads that are willing and able to limit their use of the transmission system under certain conditions; and

(e) the rates, terms, and conditions of service applicable to interconnection customers serving electrically proximate large load or co-located load; or

(2) explain what changes to the Tariff would remedy the identified concerns if the Commission were to determine that the Tariff has in fact become unjust and unreasonable or unduly discriminatory or preferential and, therefore, proceeds to establish a replacement Tariff.

33. We also direct ISO-NE to submit, within 30 days of the date of issuance of this order, an informational report on how ISO-NE intends to ensure that adequate generation will be available to serve existing and new large loads.

34. Interested entities may respond within 30 days of ISO-NE's and the Participating Transmission Owners' filings, addressing either or both of: (1) whether the existing Tariff remains just and reasonable and not unduly discriminatory or preferential; and (2) if not, what changes to the Tariff should be implemented as replacement rates.

35. We recognize that ISO-NE and/or the Participating Transmission Owners (to the extent the matters addressed herein implicate aspects of the Tariff over which they have the filing rights) may elect to address some or all of the issues discussed in this order by proposing revisions to the Tariff pursuant to their applicable FPA section 205 filing rights. We strongly encourage this. Although both the Secretary's ANOPR and our own Order Regarding Intent to Act expressly recognized (and indeed encouraged) that possibility,¹¹⁶ no such filings were received from ISO-NE by the Commission prior to the issuance of this order. Should ISO-NE and/or the Participating Transmission Owners elect to make such filings in response to this order, those filings should state explicitly that the proposals are being submitted under FPA section 205. Should ISO-NE and/or the Participating Transmission Owners submit a filing under FPA section 205, they should also explain which of the Commission's above directives their filing addresses and how it resolves them. Additionally, any such filing should provide a reasoned explanation for how the proposal will avoid disrupting existing commercial arrangements and clearly identify a reasonable effective date that accommodates such existing commercial arrangements.

36. The Commission will consider requests from ISO-NE and/or the Participating Transmission Owners to hold, for up to 90 days, all or certain aspects of this FPA section 206 proceeding in abeyance, including the deadline to respond to this order. Any such abeyance, which will begin as of the deadline to respond to this order, would be

¹¹⁶ See ANOPR at P 32; Order Regarding Intent to Act, 195 FERC ¶ 61,045 at P 5.

considered to provide ISO-NE and the Participating Transmission Owners time while they work through the stakeholder processes to develop FPA section 205 filings to revise the Tariff to address the issues raised in this order. Requests for a full or partial abeyance¹¹⁷ should be submitted prior to the deadline to respond to this order, specifically within 45 days of issuance of this order, to allow time for the Commission to act on the abeyance request. We emphasize that we will not grant such abeyances reflexively, that any abeyance will be limited to 90 days, and that we will look with great disfavor toward requests to extend the abeyance period. We anticipate that successful abeyance requests, if any, will include both (1) a robust description of the content of a potential future filing under FPA section 205 and (2) a reasoned and specific explanation of when such a filing is expected to be made.

37. In cases where, as here, the Commission institutes a section 206 investigation on its own motion, section 206(b) of the FPA requires that the Commission establish a refund effective date that is no earlier than the date of the publication by the Commission of notice of its intention to initiate such proceeding nor later than five months after the publication date. In such cases, in order to give maximum protection to customers, and consistent with our precedent, we have historically tended to establish the section 206 refund effective date at the earliest date allowed by section 206, and we do so here as well.¹¹⁸ That date is the date of publication of notice of initiation of this proceeding in the *Federal Register*.

A. Transmission Service to Eligible Customers on Behalf of Large Loads

38. We today make a preliminary finding that ISO-NE's Tariff appears to be unjust and unreasonable because it lacks provisions that address, with sufficient clarity and consistency, how ISO-NE and/or the Participating Transmission Owners will timely study (i.e., within 60-90 days of receiving the request) the provision of transmission service to Eligible Customers on behalf of large loads.¹¹⁹

¹¹⁷ A partial abeyance may be appropriate to the extent ISO-NE is developing FPA section 205 filings in response to only a subset of the directives in this order. For any remaining directives, we expect a response to this order within the 60-day deadline set forth herein.

¹¹⁸ See, e.g., *Idaho Power Co.*, 145 FERC ¶ 61,122 (2013); *Canal Elec. Co.*, 46 FERC ¶ 61,153, *order on reh'g*, 47 FERC ¶ 61,275 (1989).

¹¹⁹ As discussed below, our findings here also apply to the study process for unbundled retail transmission service requests by end-use large load customers, as allowed by state law or voluntary utility rules.

39. Throughout this order, we use the phrase “the provision of transmission service to Eligible Customers on behalf of large loads” to encompass the provision of new, modified, or additional jurisdictional transmission service to Eligible Customers on behalf of large loads. We note that this phrase is not limited to instances where an Eligible Customer submits an application to request new transmission service. It also includes instances where an Eligible Customer requests a new or modified point of delivery to serve a large load, where a large load seeks a new or modified delivery point as an unbundled retail transmission service customer, or where large loads are otherwise included in an Eligible Customer’s reported load growth and that Eligible Customer is taking NITS.

40. We direct ISO-NE and the Participating Transmission Owners, to the extent the matters addressed herein implicate aspects of the Tariff over which they have the filing rights, to explain whether the Tariff remains just and reasonable without an application process, study procedures, and ongoing operational requirements that address the unique characteristics and challenges of providing transmission service to Eligible Customers on behalf of large loads, or to propose appropriate Tariff revisions.

41. We acknowledge that our concerns, described below, may not be as urgent in the ISO-NE region as in other RTOs/ISOs, but the record indicates that there have been, and there is potential for an increase in, requests for transmission service by Eligible Customers on behalf of large loads.¹²⁰ Additionally, we note that the record indicates that the more limited growth of large loads in the ISO-NE region may be due to the lack of a clear and consistent process in ISO-NE’s Tariff for how ISO-NE and/or the Participating Transmission Owners will study the provision of transmission service to Eligible Customers on behalf of large loads.¹²¹ Given the unique challenges that providing transmission service to Eligible Customers on behalf of large loads poses for ensuring just and reasonable rates, as well as for potentially maintaining reliable operation of the transmission system should the growth of large loads in the region increase, we remain concerned that ISO-NE’s Tariff appears to be unjust and unreasonable without provisions addressing how ISO-NE and/or the Participating Transmission Owners will study the provision of transmission service to Eligible Customers on behalf of large loads with sufficient clarity and consistency.

1. Jurisdiction

42. At the outset, we clarify the principles relating to the Commission’s jurisdiction over the matters relevant to the integration of large loads onto the transmission system

¹²⁰ See *supra* P 8.

¹²¹ See National Grid November 21 ANOPR Comments at 2-3 (noting the need to define “rules of the road” for large load interconnection).

and the impacts of large loads on the transmission system. We recognize that rates, terms, and conditions associated with the addition of and service to large loads implicate both federal and state interests. We also recognize that resolution of issues related to large load additions will require the involvement of both federal and state actors, including the Commission, state public utility commissions, and other state and local entities. We are encouraged by efforts made at the state level to address issues related to large load additions that fall within state jurisdiction.¹²²

43. As discussed below, however, certain aspects of the process for integrating large loads onto the transmission system fall squarely within the Commission's exclusive jurisdiction. Specifically, we find that it is within the Commission's exclusive authority to ensure that transmission provider and/or transmission owner tariffs include sufficiently clear and consistent provisions governing how transmission service to Eligible Customers on behalf of large loads interconnecting to the transmission system will be studied, including whether new or upgraded transmission facilities are necessary to provide the requested transmission service. The Commission has jurisdiction over the study process for transmission service to both Eligible Customers on behalf of large loads and unbundled retail transmission service to end-use large load customers where, pursuant to state law or a public utility's voluntary offer of such service, the large load is an Eligible Customer under the transmission provider and/or transmission owner tariffs.¹²³

44. The Commission is a creature of statute and has jurisdiction over only those matters that Congress has given it the authority to regulate.¹²⁴ That authority includes jurisdiction over the wholesale sale and transmission of electricity in interstate commerce, including all facilities used for such sale and transmission.¹²⁵ As relevant here, the Commission must ensure that the rates, charges, and classifications for such transmission of electricity—as well as the practices directly affecting such transmission of electricity—are just and reasonable and not unduly discriminatory or preferential.¹²⁶

¹²² See generally NARUC April 14 ANOPR Comments (highlighting action taken by state public utility commissions related to large loads).

¹²³ Under the *pro forma* OATT, Eligible Customers include end-use customers seeking unbundled retail transmission service, pursuant to state law or public utility's voluntary offer of such service. *Pro forma* OATT, § 1.12 (Definitions – Eligible Customer); see also ISO-NE Tariff, § I.2 (Rules of Construction; Definitions) (177.0.0), § I.2.2.

¹²⁴ *Atl. City Elec. Co. v. FERC*, 295 F.3d 1, 8 (D.C. Cir. 2002).

¹²⁵ 16 U.S.C. § 824(b)(1).

¹²⁶ *Id.* §§ 824d, 824e; see *FERC v. Elec. Power Supply Ass'n*, 577 U.S. 260, 278 (2016) (*EPSA*) (approving “a common-sense construction of the FPA's language,

The Supreme Court has held that the Commission's authority over interstate transmission is not limited to wholesale transmission service and that the Commission has authority over unbundled retail transmission service.¹²⁷ As part of its transmission authority, the Commission has exercised jurisdiction over the terms of certain interconnections to the transmission system as an element of transmission service,¹²⁸ including the interconnection of wholesale load to the transmission system.¹²⁹

45. As applied to large load additions to the transmission system, these principles mean that the Commission has exclusive jurisdiction over the rates, terms, and conditions of interstate transmission service to Eligible Customers on behalf of large loads connecting to the transmission system, and the practices directly affecting the provision of such interstate transmission of electricity. An essential component of providing such transmission service is the process by which the transmission provider and/or transmission owner evaluates (1) whether it can provide the requested transmission service and (2) the impact that providing such transmission service will have on the jurisdictional transmission system, including determining whether any new or upgraded transmission facilities are needed to provide transmission service while maintaining reliable operation of the transmission system. This transmission service study process determines what network upgrades are needed to provide transmission service to Eligible Customers on behalf of large loads, the costs of which are included in transmission rates. As such, this study process directly affects Commission-jurisdictional transmission rates.¹³⁰ The Commission has exclusive authority to ensure that the process to study the

limiting FERC's 'affecting' jurisdiction to rules or practices that 'directly affect the wholesale rate'" (cleaned up)).

¹²⁷ *New York v. FERC*, 535 U.S. 1, 17, 19-20 (2002) (upholding the Commission's exercise of jurisdiction over unbundled retail transmission service).

¹²⁸ *Tenn. Power Co.*, 90 FERC ¶ 61,238, at 61,761 (2000) (*Tennessee Power*), order denying reh'g, 91 FERC ¶ 61,271 (2000); *Standardization of Generator Interconnection Agreements & Procs.*, Order No. 2003, 104 FERC ¶ 61,103, at P 9 (2003); see also *Laguna Irrigation Dist.*, 91 FERC ¶ 61,340, at 62,152 (2000).

¹²⁹ *Pac. Gas & Elec. Co.*, 109 FERC ¶ 61,392, at P 37 (2004); *Pac. Gas & Elec. Co.*, 115 FERC ¶ 61,193, at PP 36-38 (2006).

¹³⁰ Cf. *Transmission Plan. & Cost Allocation by Transmission Owning & Operating Pub. Utils.*, Order No. 1000, 136 FERC ¶ 61,051, at P 112 (2011) ("It is through the transmission planning process that public utility transmission providers determine which transmission facilities will more efficiently or cost-effectively meet the needs of the region, the development of which directly impacts the rates, terms and conditions of jurisdictional service.").

provision of transmission service to Eligible Customers is just and reasonable and not unduly discriminatory or preferential. We therefore find that we have authority to ensure that tariffs include provisions that clearly and consistently address the study process for the provision of transmission service to Eligible Customers on behalf of large loads, including the unique impacts that providing transmission service to Eligible Customers on behalf of large loads may have on the transmission system.

46. At the same time, we continue to recognize that the FPA expressly reserves to states the authority over any other sale of electric energy, including retail sales and wholesale sales not in interstate commerce (such as wholesale sales within the Electric Reliability Council of Texas region), as well as facilities used for the generation and distribution of electricity.¹³¹ As such, we recognize that states will continue to regulate: (1) the specific terms of retail sales to large load;¹³² (2) which entities may make retail sales within their borders, including which entities are legally permitted to provide electricity to retail large load customers;¹³³ and (3) any siting decisions and construction associated with the large load project.¹³⁴ Nothing in this order is intended to intrude upon state authority over retail service to large loads.

47. In sum, we today exercise our authority to ensure that the process by which jurisdictional transmission providers and/or transmission owners will study the provision of jurisdictional transmission service to Eligible Customers on behalf of large loads interconnecting to the transmission system, including where, as allowed by state law or a public utility's voluntary offer of such service, an end-use large load seeks unbundled retail transmission service, is just and reasonable and not unduly discriminatory or preferential. Pursuant to that authority, we find that ISO-NE's Tariff appears to be unjust and unreasonable or unduly discriminatory or preferential because it lacks sufficiently clear and consistent provisions regarding the study process related to the provision of transmission service to Eligible Customers on behalf of large loads. We need not

¹³¹ 16 U.S.C. § 824(b)(1); *see Dayton Power & Light Co. v. FERC*, 126 F.4th 1107, 1129 (6th Cir. 2025).

¹³² *See EPSA*, 577 U.S. at 279-80 (recognizing state authority over retail electricity sales); *New York v. FERC*, 535 U.S. at 28 (same).

¹³³ PJM Show Cause Order, 190 FERC ¶ 61,115 at PP 68-69.

¹³⁴ *See, e.g., Citizens Action Coal. of Ind., Inc. v. FERC*, 125 F.4th 229, 238 (D.C. Cir. 2025) (citing 16 U.S.C. § 824(b)(1)) (recognizing state authority over generation resource mix, including through their siting authority); Order No. 1000, 136 FERC ¶ 61,051 at P 107 (acknowledging state authority over siting, permitting, and construction of transmission facilities).

comprehensively address the Commission's jurisdiction over other aspects of the addition of large loads to the transmission system at this time.

2. Tariff Provisions

48. In the following section, we begin by considering ISO-NE's Tariff as it relates to how ISO-NE and/or the Participating Transmission Owners will study the provision of transmission service to Eligible Customers on behalf of large loads and explain our concerns that the lack of sufficiently clear and consistent provisions regarding the study process for the provision of transmission service to Eligible Customers on behalf of large loads is unjust and unreasonable or unduly discriminatory or preferential. We then consider whether the Tariff is unjust and unreasonable without certain elements. First, we consider whether the Tariff lacks sufficiently clear and consistent Tariff provisions establishing an appropriate definition of large load, as a separate category of load. Second, we consider whether the Tariff lacks sufficiently clear and consistent Tariff provisions establishing an application process and requirements for Eligible Customers requesting transmission service on behalf of large loads and a study process that considers the unique operational challenges of providing transmission service to Eligible Customers on behalf of large loads. Third, we consider whether the Tariff lacks sufficiently clear and consistent Tariff provisions establishing ongoing operational requirements necessary to ensure that ISO-NE can reliably provide transmission service given the unique operational impacts on the transmission system of providing transmission service to Eligible Customers on behalf of large loads. Finally, we consider whether the Tariff requires such ongoing operational requirements for Eligible Customers taking transmission service on behalf of large loads to be memorialized in service agreements.

49. We preliminarily find that ISO-NE's Tariff appears to be unjust and unreasonable or unduly discriminatory or preferential because it does not contain provisions addressing with sufficient clarity and consistency how ISO-NE and/or the Participating Transmission Owners will study the provision of transmission service to Eligible Customers on behalf of large loads. We recognize that ISO-NE and/or the Participating Transmission Owners may have existing load integration processes, including studies that are performed in evaluating the provision of transmission service to Eligible Customers on behalf of large loads.¹³⁵ However, we are concerned that those processes and any required studies with regard to the provision of transmission service are not described in the Tariff with the degree of clarity and specificity necessary to ensure that the transmission provider can mitigate operational risks of providing transmission service to Eligible Customers on behalf of large loads, given their impact on the transmission system, avoid disputes regarding how studies are conducted, deter speculative or duplicative requests for

¹³⁵ See *supra* PP 21, 26.

transmission service by Eligible Customers on behalf of large loads, and help avoid excessive and unnecessary network upgrades. Moreover, we are concerned that the existing Tariff does not contain other elements akin to those described below, which we preliminarily find may be necessary to ensure that the rates, terms, and conditions of jurisdictional transmission service are just and reasonable.

50. At the outset, we recognize that the Participating Transmission Owners may be primarily responsible for conducting the studies that (1) evaluate whether a large load may be interconnected to the transmission system and served by the Eligible Customer, and (2) determine whether network upgrades are necessary to provide transmission service. This may be particularly true where an Eligible Customer seeks local transmission service on behalf of a large load and where that service takes place over non-PTFs. We appreciate that this role may stem from how ISO-NE and the Participating Transmission Owners allocated rights and responsibilities in the governing documents establishing ISO-NE. We do not seek to alter that allocation of rights and responsibilities.

51. We are nonetheless concerned that ISO-NE's Tariff lacks a study process that addresses the unique operational and reliability challenges that providing transmission service to Eligible Customers on behalf of large loads presents to the transmission system. Large loads can be more energy intensive and geographically concentrated than traditional load, and exhibit different load profiles and operational characteristics.¹³⁶ While the ISO-NE region has seen a smaller growth in large loads than other regions, large loads are looking to interconnect in the region.¹³⁷ ISO-NE itself has recognized that large loads can be highly uncertain in terms of attrition rates, relative construction time, and electric demand characteristics.¹³⁸ New England Consumer-Owned Systems note that the addition—or sudden loss—of large loads' demand can reshape regional power flows, trigger major transmission and voltage support needs, and impose substantial costs on existing customers if not properly regulated.¹³⁹ As a result, providing transmission service to Eligible Customers on behalf of large loads may be more complex and could

¹³⁶ See, e.g., SPP HILL Order, 194 FERC ¶ 61,031 at PP 7-8; NERC, *Characteristics and Risks of Emerging Large Loads* (July 2025), <https://www.nerc.com/globalassets/who-we-are/standing-committees/rstc/whitepaper-characteristics-and-risks-of-emerging-large-loads.pdf> (NERC Characteristics and Risks of Large Loads).

¹³⁷ See *supra* P 8.

¹³⁸ ISO-NE Letter at 2.

¹³⁹ New England Consumer-Owned Systems November 21 ANOPR Comments at 2.

raise greater reliability concerns for the transmission system, relative to a situation where Eligible Customers seek transmission service on behalf of traditional load.

52. We acknowledge that ISO-NE's Tariff currently outlines study procedures for the provision of Regional Network Service to Eligible Customers.¹⁴⁰ However, the study procedures in Tariff Section II.19 refer to the LGIP and SGIP in Schedules 22 and 23, which explicitly pertain to interconnection customers.¹⁴¹ In addition, Eligible Customers seeking Local Transmission Service go through study processes that may be less clear or vary depending on which Participating Transmission Owner is providing the Local Transmission Service. Without a clear and consistent process to study the provision of transmission service to Eligible Customers on behalf of large loads, ISO-NE and/or the Participating Transmission Owners may not fully capture the transmission system impacts of providing such transmission service, which could result in significant operational risks for the transmission system. Furthermore, we are concerned that, without sufficiently clear and consistent Tariff provisions, ISO-NE will not have the ongoing visibility and operational control necessary to provide reliable transmission service.

53. We are also concerned that the absence of sufficiently clear and consistent tariff provisions for how ISO-NE and/or the Participating Transmission Owners will study the provision of transmission service to Eligible Customers on behalf of large loads will lead to disputes over a variety of issues—e.g., study timelines and delays,¹⁴² how the transmission service needed on behalf of the large load is studied,¹⁴³ what types of network upgrades are considered, and how required network upgrades to provide the requested transmission service are determined.¹⁴⁴ Such disputes may arise from the lack

¹⁴⁰ See *supra* PP 21-22.

¹⁴¹ ISO-NE Tariff, § II.19.2.

¹⁴² See, e.g., CEBA November 21 ANOPR Comments at 12-13; Eolian November 21 ANOPR Comments at 14-16; Institute for Progress November 21 ANOPR Comments at 7-8; Microsoft November 21 ANOPR Comments at 9; ODEC December 5 ANOPR Comments at 4.

¹⁴³ Commenters raised concern that large loads are not studied with consideration of their known operating characteristics, including their willingness to be flexible or curtailable. See, e.g., ClearPath November 21 ANOPR Comments at 5-6; Constellation November 21 ANOPR Comments at 23-24; Critical Loop November 21 ANOPR Comments at 3; GridCare December 5 ANOPR Comments at 1-2; L. Lynne Kiesling November 21 ANOPR Comments at 10.

¹⁴⁴ Specifically, commenters raised concern that transmission providers/owners may only consider traditional transmission infrastructure or that there is a lack of

of transparency in how studies are performed and how decisions will be made.¹⁴⁵ We are thus concerned that the lack of clear and consistent provisions in ISO-NE's Tariff related to the study process for the provision of transmission service to Eligible Customers on behalf of large loads appears to be unjust and unreasonable or unduly discriminatory or preferential.

54. Lastly, we are concerned that ISO-NE's existing Tariff fails to deter speculative or duplicative requests for transmission service by Eligible Customers on behalf of large loads. ISO-NE itself has a methodology for derating data centers in its load forecasts due to their more speculative nature.¹⁴⁶ Many ANOPR comments assert that clear and consistent provisions establishing study timelines and costs, readiness requirements, and/or penalties will deter speculative or duplicative requests related to large load additions.¹⁴⁷ Commenters explain that speculative requests may bog down and delay the

consideration of alternative transmission solutions. *See, e.g.*, ACORE November 21 ANOPR Comments at 3-4, 6-7; American Terawatt November 21 ANOPR Comments at 4-5; Calibrant November 21 ANOPR Comments at 1-2, 3; CEBA November 21 ANOPR Comments at 9-10; Chamber of Commerce November 21 ANOPR Comments at 3; CTC Global Corporation November 21 ANOPR Comments at 1-3; DCC November 21 ANOPR Comments at 10-11; GridCARE December 5 ANOPR Comments at 4; Industrial Customers November 21 ANOPR Comments at 27-28; Infrastructure Masons December 5 ANOPR Comments at 18; Iron Mountain Data Centers, LLC November 21 ANOPR Comments at 3-4; Land Trust Alliance November 21 ANOPR Comments at 5-6; PIOs November 21 ANOPR Comments at 22; Southeast PIOs November 21 ANOPR Comments at 44-45; WATT and Advancing Modern Powerlines November 21 ANOPR Comments at 5-8.

¹⁴⁵ *See, e.g.*, CEBA November 21 ANOPR Comments at 12; ECA December 5 ANOPR Comments at 1-2; Eolian November 21 ANOPR Comments at 17-18; EPSA November 21 ANOPR Comments at 6; Infrastructure Masons December 5 ANOPR Comments at 4, 6-7; Southeast PIOs November 21 ANOPR Comments at 39-40; Switch December 5 ANOPR Comments at 3; Tract November 21 ANOPR Comments at 5; Vantage November 21 ANOPR Comments at 5-6; Verrus November 21 ANOPR Comments at 6, 12; Vistra December 5 ANOPR Comments at 27.

¹⁴⁶ *See, e.g.*, ISO-NE Large Load Forecast Presentation at 8.

¹⁴⁷ *See, e.g.*, ACORE November 21 ANOPR Comments at 6; AEU November 21 ANOPR Comments at 17-18; Amazon November 21 ANOPR Comments at 6; Crusoe December 5 ANOPR Comments at 5-6; EDF Power November 21 ANOPR Comments at 12-13; EEI November 21 ANOPR Comments at 20; Fervo November 21 ANOPR Comments at 3; GridCare December 5 ANOPR Comments at 5; Invenergy November 21 ANOPR Comments at 6; Microsoft November 21 ANOPR Comments at 9; Ohio FEA

study process, wasting time and resources for transmission providers;¹⁴⁸ result in inaccurate study results or delays for other Eligible Customers seeking transmission service on behalf of load;¹⁴⁹ create a substantial risk of cost shifts if the large load additions do not materialize as planned;¹⁵⁰ and distort load forecasts.¹⁵¹ Clear and consistent study procedures that include readiness requirements (i.e., meaningful milestones and/or financial commitments) can help ensure that Eligible Customers' requests for transmission service on behalf of large loads are more viable and more likely to materialize as planned, given that they must meet specific milestones and/or pay costs to proceed.

55. More specifically, we preliminarily find that ISO-NE's Tariff appears to be unjust and unreasonable because it lacks sufficiently clear and consistent Tariff provisions that address certain aspects of the process to provide transmission service to Eligible Customers on behalf of large loads, including:

November 21 ANOPR Comments at 4.

¹⁴⁸ See, e.g., ATC November 21 ANOPR Comments at 12; Eolian November 21 ANOPR Comments at 17-18; GridCare December 5 ANOPR Comments at 5; Illinois AG November 21 ANOPR Comments at 9-10; Institute for Progress November 21 ANOPR Comments at 9; Ohio FEA November 21 ANOPR Comments at 4; Vistra November 21 ANOPR Comments at 23.

¹⁴⁹ See, e.g., Amazon November 21 ANOPR Comments at 6; CEBA November 21 ANOPR Comments at 8; ClearPath November 21 ANOPR Comments at 4; Geronimo November 21 ANOPR Comments at 12; TAPS November 21 ANOPR Comments at 14-15.

¹⁵⁰ See, e.g., Buckeye November 21 ANOPR Comments at 1-2; Exelon November 21 ANOPR Comments at 3; Kansas Commission November 21 ANOPR Comments at 12; NRECA November 21 ANOPR Comments at 9; OCC November 21 ANOPR Comments at 9; Southeast PIOs November 21 ANOPR Comments at 20; State Entities November 21 ANOPR Comments at 7-8; TAPS November 21 ANOPR Comments at 15, 22-24; Tri-State November 21 ANOPR Comments at 6, 8; Vistra November 21 ANOPR Comments at 23.

¹⁵¹ See, e.g., CEBA November 21 ANOPR Comments at 8; EEI November 21 ANOPR Comments at 20; ELCON November 21 ANOPR Comments at 7; Invenergy November 21 ANOPR Comments at 6; GridCare December 5 ANOPR Comments at 5; OCC November 21 ANOPR Comments at 9; PIOs November 21 ANOPR Comments at 5; Southeast PIOs November 21 ANOPR Comments at 41; Talen November 21 ANOPR Comments at 9.

- (1) a definition of large load sufficient to capture loads that present the unique challenges described herein;
- (2) the application process for requesting transmission service to Eligible Customers on behalf of large loads and the study procedures, including readiness requirements, for studying the provision of transmission service to Eligible Customers on behalf of large loads;
- (3) ongoing operational requirements for transmission customers¹⁵² serving large loads necessary to ensure reliable operation of the transmission system; and
- (4) *pro forma* provisions in transmission service agreements to memorialize these terms.

56. First, we preliminarily find that ISO-NE's Tariff appears to be unjust and unreasonable because it lacks a definition of large load, as a new category of load. Integrating large loads poses specific challenges to transmission system operation given their size, operational behavior, and unique potential to impact the transmission system.¹⁵³ An appropriate definition, including a load size and interconnection voltage threshold, should be based on the characteristics of ISO-NE's transmission system. That said, based on the record in the ANOPR proceeding,¹⁵⁴ it appears that it would be

¹⁵² We note that such ongoing operational requirements should apply to transmission customers, rather than Eligible Customers, as these requirements apply after the Eligible Customer has an executed (or a filed unexecuted) service agreement for transmission service and have become transmission customers under the Tariff.

¹⁵³ See generally NERC, *2024 Long-Term Reliability Assessment* 38 (Dec. 2024, updated July 2025), https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC_Long%20Term%20Reliability%20Assessment_2024.pdf.

¹⁵⁴ See, e.g., Constellation November 21 ANOPR Comments at 13 (supporting a voltage threshold); DTE November 21 ANOPR Comments at 3, 17-19 (recommending a threshold of an amount between 50 MW to 100 MW); Eolian November 21 ANOPR Comments at 8-9 (recommending a voltage threshold greater than or equal to an amount between 60 kV to 100 kV); Illinois AG November 21 ANOPR Comments at 7 (supporting a 20 MW or 50 MW threshold and consideration of other factors, such as voltage level); ITC November 21 ANOPR Comments at 3 (recommending a threshold of between 50 MW to 100 MW); National Grid November 21 ANOPR Comments at 11-12 (asserting appropriate thresholds of 50 or 80 MW depending on the region); Nebraska Board November 21 ANOPR Comments at 4 (proposing a 50 MW threshold); New Mexico Commission November 21 ANOPR Comments at 5 (proposing a 50 MW threshold).

reasonable to define a large load as a new, commercial or industrial customer, located at a single site behind one or more points of interconnection, and that has a peak load of 50 MW or greater, interconnects to the transmission system at a voltage level of greater than 69 kV, and is not part of a co-location arrangement. In its response to this order, ISO-NE should explain whether the Tariff remains just and reasonable without such a definition, or propose Tariff revisions establishing its own definition of large load.

57. Second, we preliminarily find that ISO-NE's Tariff appears to be unjust and unreasonable because it lacks sufficiently clear and consistent Tariff provisions establishing the application process and study procedures that will be used when ISO-NE and/or the Participating Transmission Owners evaluate the provision of transmission service to Eligible Customers on behalf of large loads. For example, we are concerned with the lack of clarity as to what aspects of the study and provision of Regional Network Service apply only to interconnection customers subject to the LGIP or SGIP as opposed to all Eligible Customers seeking Regional Network Service, as well as with the clarity and consistency of the Local Transmission Service study procedures in various Participating Transmission Owners' Schedule 21 procedures. ISO-NE's should explain whether the Tariff remains just and reasonable, for example, without: (1) an application process that accepts Eligible Customers' applications for transmission service on behalf of large loads on a rolling basis; (2) a non-refundable application fee and sufficient readiness requirements that escalate at distinct phases of the study process to deter duplicative or speculative requests for transmission service (e.g., meaningful milestones and/or financial commitments); and (3) information and data requirements that Eligible Customers must submit to ISO-NE and/or the Participating Transmission Owners regarding the characteristics of the large load on behalf of which the Eligible Customer is taking transmission service, including disclosure to ISO-NE of any substantially similar pending transmission service requests on behalf of the same large load customer.¹⁵⁵ ISO-NE may also elect to propose Tariff revisions establishing such an application process, fee, and requirements.

58. Further, ISO-NE's Tariff appears to lack sufficiently clear and consistent provisions establishing a study process for evaluating the provision of transmission service to Eligible Customers on behalf of large loads that considers the unique characteristics and impacts of large loads on the transmission system. For example, we are concerned that ISO-NE's Tariff may not clearly and consistently require ISO-NE or the Participating Transmission Owners to conduct studies that evaluate the transmission system's ability to withstand risks observed from analyzed large load behavior created by the large load at the point of interconnection, or any other necessary supplemental studies

¹⁵⁵ The Electric Reliability Council of Texas (ERCOT) has proposed a similar disclosure requirement in its Batch Zero process for large load interconnections. ERCOT Planning Guide, § 9.7.1(1)(b) (proposed Mar. 4, 2026).

to evaluate the impact of providing transmission service to Eligible Customers on behalf of large loads.¹⁵⁶ Additionally, we preliminarily find that ISO-NE's Tariff appears unjust and unreasonable because it lacks appropriate provisions recognizing within the transmission service request study process the unique operational characteristics of large loads that are willing and able to limit their energy withdrawals under certain conditions, which may thereby lessen or potentially avoid the need for certain network upgrades. While flexible large loads can reduce the demand on the transmission system, and therefore potentially reduce the need for additional transmission capacity, additional informational and study requirements may be necessary to account for the dynamic nature of these types of loads while maintaining reliability.¹⁵⁷ Additionally, we note that accurate models using Electromagnetic Transient studies may help to ensure that transmission service needed on behalf of large loads can be provided without compromising reliability.¹⁵⁸

59. Additionally, we preliminarily find that ISO-NE's Tariff appears to be unjust and unreasonable because it lacks clear and consistent provisions requiring the evaluation of alternative transmission technologies¹⁵⁹ as potential solutions to accommodate an

¹⁵⁶ See generally NERC, *Industry Recommendation: Large Load Interconnection, Study, Commissioning, and Operations* (Sep. 2025), <https://www.nerc.com/globalassets/programs/bpsa/alerts/2025/nerc-alert-level-2--large-loads.pdf> (finding that unique operational characteristics of large loads necessitate enhancements to studies).

¹⁵⁷ See, e.g., AEMA November 21 ANOPR Comments at 6; Thermal Battery Alliance November 21 ANOPR Comments at 7; Verrus November 21 ANOPR Comments at 10.

¹⁵⁸ See, e.g., NERC, *Draft Reliability Guideline: Risk Mitigation for Emerging Large Loads* 6-7 (May 2026), https://www.nerc.com/globalassets/who-we-are/standing-committees/rstc/reliabilityguideline_riskmitigationforemerginglargeloads.pdf; NERC, *Assessment of Gaps in Existing Practices, Requirements, and Reliability Standards for Emerging Large Loads* 31 (Mar. 2026), <https://www.nerc.com/globalassets/our-work/guidelines/reliability/white-paper---assessment-of-gaps.pdf>; see also SPP HILL Order, 194 FERC ¶ 61,031 at P 62. We acknowledge that Electromagnetic Transient study processes are already within the scope of the Cluster Study process through which Regional Network Service requests are processed. See *supra* P 22. However, we note that it is unclear if such Electromagnetic Transient study processes are carried out under Local Transmission Service studies processes.

¹⁵⁹ For purposes of this order, alternative transmission technologies include static synchronous compensators, static VAR compensators, advanced power flow control devices, transmission switching, synchronous condensers, voltage source converters,

Eligible Customer's request for transmission service on behalf of a large load. Alternative transmission technologies can add more capacity on existing transmission lines quickly, often within one to three years.¹⁶⁰ Unlike with traditional load growth,¹⁶¹ large load customers often have development timelines requiring interconnection to the transmission system faster than traditional network upgrades can be built, necessitating a sufficient evaluation of alternative transmission technologies that can more quickly accommodate transmission service requests from Eligible Customers on behalf of large loads.¹⁶² The Commission has previously recognized that alternative transmission

advanced conductors, tower lifting, and dynamic line ratings. We note that the Commission has also referred to these types of technologies as Grid Enhancing Technologies (GETs).

¹⁶⁰ WATT and Advancing Modern Powerlines November 21 ANOPR Comments at 5-6.

¹⁶¹ See, e.g., SPP HILL Order, 194 FERC ¶ 61,031 at P 7 (explaining that the HILL proposal was needed in part due to large load customers frequently requesting transmission service within months rather than years of their intended commercial operation, straining legacy regulatory frameworks and planning processes originally designed for slow, incremental, and predictable load growth); see also Commission Staff, *2025 State of the Market Report* 8 (Mar. 2026) (“[D]ata centers have characteristics unlike more traditional loads [including] size, strong desire for faster interconnection, and potential flexibility.”).

¹⁶² Exec. Off. of the President, *Winning the Race: America's AI Action Plan* 1-2, 15 (July 2025), <https://www.whitehouse.gov/wp-content/uploads/2025/07/Americas-AI-Action-Plan.pdf> (explaining that accelerated deployment of AI data centers is a critical matter of national security and international economic competitiveness, and recommending federal policy action to optimize the existing grid through advanced grid technologies); WATT and Advancing Modern Powerlines November 21 ANOPR Comments at 5-8 (“[Alternative transmission technologies’] deployment timelines are more aligned with the interconnection needs of new large loads, which may only take 1-2 years to construct.”); Industrial Customers November 21 ANOPR Comments at 28 (“Achieving speed-to-power in the near-term, while also protecting customers, will require the use of GETs, advanced reconductoring, and unlocking all available system capacity.”); Energy Systems Integration Group, *Historical and Modern Large Loads: Characteristics, Context, and Industry Action to Meet Grid and Customer Needs* 4 (Mar. 2026), <https://www.esig.energy/wp-content/uploads/2026/03/ESIG-Historical-vs-Modern-Large-Loads-white-paper-2026.pdf> (describing the timing mismatch between how long it takes to build a new data center and how long it takes to plan, permit, and build transmission).

technologies have the potential to mitigate or defer the need for traditional network upgrades and often can be deployed both more quickly and at lower cost than traditional network upgrades, and therefore failing to consider whether alternative transmission technologies can meet transmission needs more efficiently or cost-effectively than traditional network upgrades has the potential to render Commission-jurisdictional rates unjust and unreasonable.¹⁶³ Further, to the extent network upgrades costs to accommodate an Eligible Customer's request for transmission service on behalf of a large load are rolled into a transmission owner's transmission revenue requirement, transmission customers other than the Eligible Customer may bear a portion of those network upgrades costs, highlighting the need for clear and consistent provisions requiring the evaluation of least-cost options like alternative transmission technologies to mitigate the rate impact on all transmission customers.

60. ISO-NE should explain whether the Tariff remains just and reasonable without provisions that (1) require the evaluation of alternative transmission technologies in transmission service request studies, using models that are capable of evaluating the transmission system to accurately account for advanced transmission technologies, in all instances, without the need for a request from the Eligible Customer seeking transmission service on behalf of a large load; and (2) if traditional network upgrades are selected instead of alternative transmission technologies, inclusion in the study report to the Eligible Customer seeking transmission service on behalf of a large load of a sufficiently clear demonstration of why alternative transmission technologies are not feasible (i.e., would not resolve reliability violations identified or meet the relevant planning criteria) or would not result in lower costs or a faster timeline for accommodating the transmission service request; or propose Tariff revisions establishing such provisions. This transparency and informational requirement is warranted for the regulatory scheme we are establishing for transmission service requests by Eligible Customers on behalf of large loads given demand from and the expedited development timelines for large load customers. We underscore that we are not mandating the use of alternative transmission technologies. To the extent stakeholders believe that specific characteristics of providing transmission service to Eligible Customers on behalf of large loads warrant requirements beyond those contemplated here, we seek further briefing.

¹⁶³ *Improvements to Generator Interconnection Procs. & Agreements*, Order No. 2023, 184 FERC ¶ 61,054 at P 1583, *order on reh'g*, 185 FERC ¶ 61,063 (2023), *order on reh'g*, Order No. 2023-A, 186 FERC ¶ 61,199, *errata notice*, 188 FERC ¶ 61,134 (2024); *see also Bldg. for the Future Through Elec. Reg'l Transmission Plan. & Cost Allocation*, Order No. 1920, 187 FERC ¶ 61,068 at P 1201, *order on reh'g*, Order No. 1920-A, 189 FERC ¶ 61,126 (2024), *order on reh'g*, Order No. 1920-B, 191 FERC ¶ 61,026 (2025).

61. Finally, based on the record, it appears reasonable that such study processes, culminating in a report to the Eligible Customer with the results of the studies, including any Direct Assignment Facilities and network upgrades necessary to accommodate the transmission service request as well as a non-binding good-faith estimate of the cost and the time to construct such facilities, should take no more than 60-90 days calendar days to complete.¹⁶⁴ To the extent ISO-NE or the Participating Transmission Owners already have such procedures and conduct such studies, but those processes are not included in the Tariff, ISO-NE and the Participating Transmission Owners should explain their existing processes and consider whether amendments are necessary to the Tariff to memorialize those processes and also address the concerns expressed herein. Otherwise, ISO-NE should explain whether the Tariff remains just and reasonable without: (1) sufficiently clear and consistent provisions to evaluate the impact of providing the requested transmission service to Eligible Customers on behalf of large loads, including identifying the Direct Assignment Facilities and network upgrades necessary to provide such service reliably; (2) provisions to appropriately recognize within the transmission service study process the unique operational characteristics of large loads; (3) a study deadline of no more than 60-90 calendar days; or propose Tariff revisions establishing them

62. Third, we preliminarily find that ISO-NE's Tariff appears to be unjust and unreasonable because it lacks provisions addressing ongoing operational requirements for transmission customers taking transmission service on behalf of large loads. We are concerned that without such requirements the rates, terms, and conditions of transmission service may be unjust and unreasonable. The unique nature of these large loads creates challenges for operation of the transmission system and necessitates greater visibility and operational control when providing transmission service to transmission customers on behalf of large loads, without which the reliability of the transmission system could be at risk.¹⁶⁵ For example, we are concerned that ISO-NE's Tariff does not require transmission customers to provide ISO-NE hourly forecasts, telemetry data, and other

¹⁶⁴ Several commenters support a 60-day timeline. *See, e.g.*, Constellation November 21 ANOPR Comments at 26; Critical Loop December 5 ANOPR Comments at 8; EDF Power November 21 ANOPR Comments at 16; Tract November 21 ANOPR Comments at 9. Other commenters note that SPP's HILL process has a 90-day timeline, or otherwise support a 90-day timeline. *See, e.g.*, AEMA November 21 ANOPR Comments at 3; Eolian December 5 ANOPR Comments at 27; Industrial Customers November 21 ANOPR Comments at 20; PJM November 21 ANOPR Comments at 7; SPP November 21 ANOPR Comments at 16-17.

¹⁶⁵ *E.g.*, ATC November 21 ANOPR Comments at 14; CAISO November 21 ANOPR Comments at 10 (citing NERC Characteristics and Risks of Large Loads); Herb Schrayshuen November 21 ANOPR Comments at 2-5.

data to ensure sufficient visibility or specify requirements for maintaining communication channels between ISO-NE and the transmission customer on behalf of the large load. Additionally, we are concerned that the Tariff does not require transmission owners to install, and transmission customers to pay for, equipment to enable ISO-NE to monitor large loads for impacts of, for example, fast-ramping load that may impact the transmission system too quickly to be captured by conventional data acquisition systems (e.g., the need for phasor measurement units or similar equipment). We are also concerned that the Tariff does not require the transmission customer to enable ISO-NE to remotely disconnect large loads when necessary to maintain reliability of the transmission system, with the costs of such equipment directly assigned to the transmission customer, as well as the terms and conditions under which ISO-NE may remotely disconnect the large load (e.g., emergency conditions, so that transmission equipment is not harmed). Further, we are concerned that the Tariff does not specify ramp rate or ride-through requirements with which the transmission customer taking transmission service on behalf of the large load must comply. Lastly, we are concerned that the Tariff does not specify requirements for necessary control technologies and/or protection systems that may be necessary to limit a transmission customer's withdrawals from the transmission system as appropriate.¹⁶⁶ ISO-NE should explain whether the Tariff remains just and reasonable without these or other ongoing operational requirements as part of the rates, terms, and conditions of transmission service or propose Tariff revisions establishing necessary ongoing operational requirements.

63. Fourth, we preliminarily find that ISO-NE's Tariff appears to be unjust and unreasonable because it lacks *pro forma* provisions in a transmission service agreement between ISO-NE and the transmission customer taking transmission service on behalf of a large load to memorialize the above terms (e.g., equipment requirements, data requirements, remote disconnect capability).¹⁶⁷ We are concerned that, without such *pro forma* provisions in a transmission service agreement between ISO-NE and the transmission customer, ISO-NE may be unable to enforce ongoing operational requirements for transmission customers taking transmission service on behalf of large

¹⁶⁶ Specifically, as discussed below, the Commission has found that such necessary control technologies and/or protection schemes may be appropriate where Eligible Customers are taking one of the new transmission services. *See infra* PP 99, 103.

¹⁶⁷ We recognize that an Eligible Customer must be party to a Market Participant Service Agreement or Service Agreement for Regional Network Service prior to initiating Regional Network Service, and must be party to a Local Service Agreement prior to initiating Local Transmission Service. However, we find that these agreements do not contain provisions that memorialize the terms described above. *See supra* PP 21, 26.

loads. ISO-NE should explain whether the Tariff remains just and reasonable without such *pro forma* provisions in a transmission service agreement, or propose revisions to include *pro forma* provisions memorializing the ongoing operational requirements in a transmission service agreement between ISO-NE and the transmission customer.

B. Cost Shifting Risk Among Transmission Customers

64. We next preliminarily find that ISO-NE's Tariff appears to be unjust and unreasonable because it lacks adequate mechanisms to mitigate the risk of cost shifting among transmission customers, which may result in unjust and unreasonable rates for transmission service. In particular, we are concerned about the apparent lack of (1) transparency regarding the assignment of network upgrades, and their associated costs, that are needed to provide transmission service to Eligible Customers on behalf of large loads; and (2) a *pro forma* cost recovery agreement between ISO-NE, the relevant transmission owner, and the Eligible Customer taking transmission service on behalf of large loads that help ensure that Eligible Customers bear the risk and are ultimately responsible for costs incurred to provide transmission service, including the cost of network upgrades.

65. We direct ISO-NE and the Participating Transmission Owners, to the extent the matters addressed herein implicate aspects of the Tariff over which they have the filing rights, to explain whether the Tariff remains just and reasonable without (1) robust, accurate, and systematic provision of data on ISO-NE's website in a single location, and in an easily accessible format that is searchable and allows users to filter the data, regarding the cost for network upgrades needed to provide transmission service to Eligible Customers on behalf of large loads; and (2) a *pro forma* cost recovery agreement between ISO-NE, the relevant transmission owner, and the Eligible Customer taking transmission service on behalf of a large load, or to propose Tariff revisions to provide additional transparency and establish such a *pro forma* cost recovery agreement. We encourage state regulators responsible for setting retail rates to provide input to ISO-NE regarding their transparency needs.

1. Jurisdiction

66. The Commission has a duty to address the risk of cost shifting among transmission customers that may result in unjust and unreasonable transmission rates. As explained above, the Commission is obligated to ensure that the rates charged for jurisdictional transmission service—as well as any practice directly affecting such rates—are just and reasonable and not unduly discriminatory or preferential. With respect to the addition of large loads to the transmission system, the Commission has exclusive authority to ensure that transmission rates are just and reasonable. The costs of those upgrades to the transmission system (i.e., network upgrades) necessary to provide transmission service to Eligible Customers on behalf of large loads are inputs to jurisdictional transmission rates,

and thus directly affect the Commission-jurisdictional rates paid by transmission customers. To fulfill its responsibility to ensure that transmission rates are just and reasonable, the Commission must act to address the risk of cost shifting among transmission customers due to (1) the process transmission providers and/or transmission owners use to evaluate the facilities needed, and the associated costs, for the provision of transmission service to Eligible Customers on behalf of large loads and (2) speculative transmission service requests by Eligible Customers on behalf of large loads that could result in unjust and unreasonable transmission rates.

67. In response to the ANOPR, many commenters raise concerns about the impact that large load additions can have on retail ratepayers, particularly the concern that other retail ratepayers may be forced to subsidize network upgrades needed to add large loads to the transmission system.¹⁶⁸ While we appreciate and are similarly concerned about this issue, the Commission is limited to addressing jurisdictional transmission rates and as such, we do so herein. As the Commission has explained, states determine how Commission-approved rates are collected among the relevant retail consumers along with the rates for state-jurisdictional matters.¹⁶⁹ Specifically, states have authority over how the wholesale costs of providing electricity, including transmission of such electricity, to those retail customers are recovered through retail rates.¹⁷⁰ We are encouraged by efforts taken by states to reform retail tariffs to address the potential for retail cost shifting as large loads come online,¹⁷¹ as well as voluntary efforts by transmission owners to protect retail ratepayers through cost recovery agreements with large loads.¹⁷² We are also encouraged by the execution of the President's Ratepayer Protection Pledge, through

¹⁶⁸ See, e.g., National Grid November 21 ANOPR Comments at 16-17; New England Consumer-Owned Systems November 21 ANOPR Comments at 4, 19-21; New England Public Systems November 21 ANOPR Comments at 9-10.

¹⁶⁹ PJM Show Cause Order, 190 FERC ¶ 61,115 at P 167.

¹⁷⁰ *Id.* P 68.

¹⁷¹ See, e.g., EEI March 12 ANOPR Comments at Attach. 1, 9-13; NARUC April 13 ANOPR Comments at 2-6 (noting examples of states acting to address large load interconnection).

¹⁷² See, e.g., *Commonwealth Edison Co.* 194 FERC ¶ 61,106 (2026); *Commonwealth Edison Co.*, 194 FERC ¶ 61,109 (2026); *Commonwealth Edison Co.*, 194 FERC ¶ 61,110 (2026); *Commonwealth Edison Co.*, 194 FERC ¶ 61,113 (2026); *PECO Energy Co.*, 193 FERC ¶ 61,148 (2025); *Dayton Power & Light Co.*, 192 FERC ¶ 61,103 (2025); *Dayton Power & Light Co.*, 189 FERC ¶ 61,220 (2024).

which data center developers have committed to shield retail ratepayers from increased electricity prices.¹⁷³

68. We expect that the additional cost transparency measures proposed in the following section will give state public utility commissions and other state regulators the information necessary to allow them to understand which transmission costs are caused by which transmission customers, so that they can sub-allocate these costs to the appropriate retail customers. Indeed, the Commission's objective in this proceeding is to respect the cooperative federalism approach established under the FPA. Specifically, one of the benefits of providing transparency on the costs of network upgrades necessary to provide transmission service to Eligible Customers on behalf of large loads is so that state regulators can use that information to protect residential and small commercial customers by incorporating those costs into the retail rates as they see fit given their authority to set rates for different classes of retail customers. We encourage state public utility commissions, state regulators, and state consumer advocates to submit comments explaining whether this information is sufficient and granular enough or to submit comments explaining precisely which additional information on transmission cost allocation may be needed to inform proper state-jurisdictional cost allocation.

2. Additional Cost Transparency

69. We preliminarily find that ISO-NE's Tariff appears to be unjust and unreasonable or unduly discriminatory or preferential because it does not contain provisions requiring the provision of data on ISO-NE's website in a single location, and in an easily accessible format that is searchable and allows users to filter the data, on transmission service requested by Eligible Customers on behalf of large loads, for network upgrades evaluated in the local transmission planning process that are needed to provide transmission service to Eligible Customers on behalf of those large loads, and the costs for those network upgrades. We preliminarily find that cost transparency measures are needed to provide stakeholders with sufficient information and visibility regarding the network upgrades, and their associated costs, needed to provide transmission service to Eligible Customers on behalf of large loads.

70. We recognize that there may have been limited large load growth in the ISO-NE region so far; however, the record indicates the potential for large load growth in the region and transmission owners are studying the need for network upgrades that will be needed to provide transmission service to Eligible Customers on behalf of large loads.¹⁷⁴ ISO-NE also included a forecast for large loads embedded in its 2026 CELT load

¹⁷³ Proclamation No. 11014, 91 Fed. Reg. 11439 (Mar. 4, 2026).

¹⁷⁴ *See supra* P 8.

forecast.¹⁷⁵ ISO-NE's Tariff does not appear to require that information identifying the network upgrades needed to provide transmission service to Eligible Customers on behalf of large loads and the costs of those network upgrades determined through local transmission planning processes be readily available on ISO-NE's website in a single location, and in an easily accessible format that is searchable and allows users to filter the data. The speed and scale with which Eligible Customers are seeking transmission service on behalf of large loads makes it difficult for interested parties, including transmission customers and state regulators, to accurately assess which transmission costs are driven by requests for transmission service by Eligible Customers to serve large loads. We are concerned that the potentially speculative nature of requests for transmission service by Eligible Customers on behalf of large loads,¹⁷⁶ the speed and scale with which large loads might seek to be added to the transmission system, the potential need for significant network upgrades to provide transmission service to Eligible Customers on behalf of large loads, and the lack of centralized information on the associated transmission costs in ISO-NE hamper the ability of the Commission and stakeholders (including transmission customers and state regulators¹⁷⁷) to understand and accurately assess the relationship between the addition of large loads to the transmission system and wholesale transmission costs.

71. We are concerned that without sufficient transparency regarding the network upgrades, and their associated costs, needed to provide transmission service to Eligible Customers on behalf of large loads, stakeholders may lack information and visibility regarding the costs driven by large load additions. We preliminarily find that, for network upgrades evaluated in the local transmission planning process¹⁷⁸ that are needed

¹⁷⁵ See ISO-NE Large Load Forecast Presentation at 14.

¹⁷⁶ See *supra* P 54.

¹⁷⁷ See Transcript, NARUC Collaborative, Docket No. AD24-7-000, at 16-17 (Feb. 11, 2026) (Chair Bagot, Virginia) (asserting that additional transparency at the RTO level would help the states get the information they need to “identify . . . that bucket of costs” related to large load-driven transmission costs), 19 (Commissioner Chattopadhyay, New Hampshire) (noting the need for “all parties to be able to see things transparently” with respect to wholesale transmission costs), 35-37 (Chair Martz, Iowa) (raising concern that currently RTOs/ISOs do not have to clearly explain when a “bucket of costs is specifically for this large load” and noting that “if we, at the state level, can’t see the driver [of transmission costs], we can’t assign the cost to the causer[,] [a]nd so we need that clarity”), 69-70 (Chair Myers, Arizona) (“[B]eing able to allocate the large load costs to the correct bucket when it gets to the states is kind of a top priority.”).

¹⁷⁸ Our concern with transparency regarding network upgrades needed to provide transmission service to Eligible Customers on behalf of large loads, as well as the costs of

to provide transmission service to Eligible Customers on behalf of large loads, ISO-NE must provide clear, timely, and detailed information regarding the extent to which requests for transmission service by Eligible Customers on behalf of large loads necessitate network upgrades to accommodate the transmission service to Eligible Customers on behalf of large loads, as well as the costs of those network upgrades.

72. We note that centralized information regarding network upgrades needed to accommodate requests for transmission service by Eligible Customers on behalf of large loads would also help inform stakeholders at the state and local level to address affordability and other challenges posed by the integration of large loads. Indeed, commenters state that the opaque nature of requests for transmission service by Eligible Customers on behalf of large loads, and the associated network upgrades required to provide that transmission service, prevent wholesale and retail customers, states, and other stakeholders from understanding such costs.¹⁷⁹

73. Accordingly, we preliminarily find that ISO-NE's Tariff appears to be unjust and unreasonable because it does not require the provision of data on ISO-NE's website in a single location, and in an easily accessible format that is searchable and allows users to filter the data, that identifies the network upgrades that are needed to accommodate

such upgrades, is limited to network upgrades planned through the local transmission planning process. While we acknowledge that in Order No. 890, the Commission adopted requirements for RTOs/ISOs, as well as for transmission owners to the extent that they perform transmission planning within an RTO/ISO, to have open and transparent transmission planning processes, there are additional requirements that apply to regional transmission planning processes (that do not apply to local transmission facilities) and thus is relevant to the distinction here. Specifically, under Order No. 1000, public utility transmission providers, including RTOs/ISOs, must evaluate as part of their regional transmission planning process whether there are transmission facilities that more efficiently or cost-effectively meet the transmission planning region's identified transmission needs. *See* Order No. 1000, 136 FERC ¶ 61,051 at P 11.

¹⁷⁹ *See* OCC November 21 ANOPR Comments at 3 (“Consumers, state advocates and state regulatory commissions have a right to know which entities are seeking large-load interconnections, the nature of the requested service, and how related costs could flow through to transmission and distribution rates.”); U.S. House of Representatives Committee on Energy and Commerce Ranking Members November 21 ANOPR Comments at 2 (urging the Commission to “require sufficient transparency from grid operators so it can determine which specific large load facilities are responsible for grid upgrade needs”); CPUC November 21 ANOPR Comments at 16-17 (asserting that the public posting of large load cost responsibility determinations would improve transparency, to the benefit of businesses and ratepayers).

requests for transmission service by Eligible Customers on behalf of large loads, and the costs of those network upgrades. ISO-NE should explain whether the Tariff remains just and reasonable without provisions that would require ISO-NE and the Participating Transmission Owners to publicly post and regularly update data that details: (1) the aggregate amounts of proposed large load additions in ISO-NE's footprint, including the aggregate amounts in each transmission pricing zone; (2) the planned network upgrades needed to provide transmission service to Eligible Customers on behalf of large loads, identified by type of equipment and network upgrades (e.g., new substation, reconductoring, a new high-voltage transmission line) for each transmission service request; and (3) cost estimates for those network upgrades; or propose such Tariff revisions. ISO-NE and the Participating Transmission Owners should also consider what other data related to transmission costs resulting from the provision of transmission service to Eligible Customers on behalf of large loads would be useful to include on ISO-NE's website. To the extent there are concerns about data confidentiality, ISO-NE and the Participating Transmission Owners should consider whether there are ways to mitigate those concerns while still providing the necessary transparency.

3. Cost Recovery Agreements

74. We next preliminarily find that ISO-NE's Tariff appears to be unjust and unreasonable because it lacks adequate mechanisms to mitigate the risk of cost shifting among transmission customers, which may result in unjust and unreasonable rates for transmission service. In particular, we are concerned about the apparent lack of a *pro forma* cost recovery agreement between ISO-NE, the relevant transmission owner, and the Eligible Customer taking transmission service on behalf of large loads that help ensure that Eligible Customers bear the risk and are ultimately responsible for costs incurred to provide transmission service, including the cost of network upgrades.

75. Several commenters discuss the risk of cost shifting among transmission customers that could result from transmission service requests by Eligible Customers on behalf of large loads.¹⁸⁰ Commenters also argue that retail-level large load tariffs do not protect wholesale transmission customers from cost shifting.¹⁸¹ Specifically, commenters

¹⁸⁰ See, e.g., Buckeye November 21 ANOPR Comments at 8-13; APPA November 21 ANOPR Comments at 6 ("Wholesale transmission customers in particular could be left shouldering massive costs if new large loads do not ultimately attain or maintain the level of electricity demand that is being forecasted."); NRECA November 21 ANOPR Comments at 21 (noting the risk that other transmission customers could bear stranded upgrade costs caused by large loads that they cannot absorb); TAPS November 21 ANOPR Comments at 22-24; California DWR November 21 ANOPR Comments at 8.

¹⁸¹ TAPS November 21 ANOPR Comments at 26 ("[A] number of state commissions are moving forward with retail large load tariffs, which provide for varying

in the record contend that, while a retail-level large load tariff protects the load serving entity taking wholesale transmission service and its retail customers, it fails “to provide any mechanism to protect *other wholesale transmission customers*” from stranded transmission costs.¹⁸² The Kansas Commission states that while its Large Load Power Services rate plan that requires large loads to make minimum payments toward transmission costs protects retail ratepayers from large-load driven transmission costs, it cannot protect against cost shifting associated with regional transmission buildout where “the large loads that formed the basis for the [regional] transmission plans do not materialize, leaving only existing customers to pay for generational expansions of the transmission grid.”¹⁸³ TAPS contends, moreover, that it is not sufficient for the Commission to rely on transmission owners to voluntarily file cost recovery agreements to protect transmission customers from cost shifting for network upgrades.¹⁸⁴ New England Consumer-Owned Systems also assert that where costs arise solely from the addition of new loads, shifting those costs to existing ratepayers would effectively require ratepayers to subsidize new entrants.¹⁸⁵

76. We are likewise concerned that there may be speculative transmission service requests by Eligible Customers on behalf of large loads that could result in cost shifting among transmission customers, which may lead to unjust and unreasonable increases in jurisdictional transmission rates. When a transmission owner constructs network upgrades to accommodate an Eligible Customer’s request for transmission service on behalf of a large load, those transmission costs will be included in the transmission owner’s transmission revenue requirement. If, however, the Eligible Customer takes less transmission service than anticipated because the large load operates at a lower demand than anticipated or fails to materialize at all, other transmission customers may see an increase in transmission rates. In such a situation, those other transmission customers

protections, but may not require the revenues and minimum demand levels to be included in wholesale transmission rates.”); Buckeye November 21 ANOPR Comments at 14-16; Kansas Commission November 21 ANOPR Comments at 15-16.

¹⁸² Buckeye November 21 ANOPR Comments at 14-15; *see* TAPS November 21 ANOPR Comments at 26-27 & nn.50-51.

¹⁸³ Kansas Commission November 21 ANOPR Comments at 11-12.

¹⁸⁴ TAPS November 21 ANOPR Comments at 25-26 (noting that AES Ohio “committed to reflecting the payments it received from the data center in its Commission-jurisdictional transmission revenue requirement so that other customers are protected,” in a Construction Service Agreement with Amazon).

¹⁸⁵ New England Consumer-Owned Systems November 21 ANOPR Comments at 4, 19-20.

may have to pay for potentially unnecessary network upgrades that they neither caused the need for nor benefit commensurately from. In other words, this introduces the risk that costs may be unfairly shifted to other transmission customers, which may result in those costs then being passed through to residential customers, among others.

77. ISO-NE's Tariff does not require cost recovery agreements between ISO-NE, the relevant transmission owner, and the Eligible Customer taking transmission service on behalf of a large load. Such agreements would help ensure that the Eligible Customer makes a minimum contribution to the transmission owner's transmission revenue requirement commensurate with the costs incurred to provide the requested transmission service, including the costs of any needed network upgrades. Absent such cost recovery agreements, we are concerned that there is no mechanism to help ensure that Eligible Customers taking transmission service on behalf of large loads (as opposed to other transmission customers) bear the risk of, and are ultimately responsible for, the costs incurred to provide them with the requested transmission service, including the costs of any needed network upgrades.

78. Accordingly, we preliminarily find that, in order to prevent unjust and unreasonable cost shifting among transmission customers, it appears necessary for ISO-NE, the relevant transmission owner, and the Eligible Customer taking transmission service on behalf of a large load to enter into a cost recovery agreement that requires the Eligible Customer to make a minimum contribution toward the transmission owner's transmission revenue requirement, if the Eligible Customer ultimately takes less transmission service than anticipated because the large load does not materialize as planned or is not developed at all. We preliminarily find that such cost recovery agreements are necessary to help ensure that the Eligible Customer is responsible for timely paying the costs of large load-driven transmission (i.e., the costs incurred to provide them with the requested transmission service, including the costs of any needed network upgrades), rather than having those costs paid by other transmission customers that neither caused the need for nor benefit commensurately from those network upgrades.¹⁸⁶ Our preliminary finding is not intended to alter or call into question existing regional cost allocation methods for network upgrades, but instead is focused on helping to prevent cost shifting among transmission customers.

79. We note that several transmission owners and large load customers have filed cost recovery agreements (Transmission Security Agreements or Construction Service Agreements) with the Commission that guarantee minimum contributions from a large load customer (rather than from the Eligible Customer taking transmission service on behalf of the large load customer) to the transmission owner's transmission revenue

¹⁸⁶ See, e.g., *Midwest ISO Transmission Owners v. FERC*, 373 F.3d 1361, 1368 (D.C. Cir. 2004); *Ill. Com. Comm'n v. FERC*, 576 F.3d 470, 476 (7th Cir. 2009).

requirement.¹⁸⁷ Although we decline to preliminarily find that cost recovery agreements between the transmission owner and the large load customer (rather than the Eligible Customer) are necessary to ensure just and reasonable transmission rates, we continue to find that such agreements directly affect Commission-jurisdictional transmission rates. Therefore, to the extent a transmission owner and a large load customer enter into a cost recovery agreement (whether voluntarily or pursuant to state law) through which the large load customer guarantees contributions to the transmission owner's Commission-jurisdictional transmission revenue requirement, we find that such an agreement should be filed with the Commission.¹⁸⁸ To reduce duplicative credit requirements and transaction costs, we direct further briefing on whether it would be appropriate for such an agreement to substitute for the requirement on the Eligible Customer to enter into a cost recovery agreement with the transmission owner, if the agreement with the large load customer provided comparable or greater protection against cost shifting among transmission customers than an agreement between the transmission owner and the Eligible Customer would.

80. In addition to our preliminary finding that ISO-NE's Tariff is unjust and unreasonable because it lacks a *pro forma* cost recovery agreement of this type, we also preliminarily find that the minimum contribution required pursuant to such an agreement should be based on the level of jurisdictional transmission service (in MW) requested by the Eligible Customer on behalf of the large load. That figure is in turn tied to how ISO-NE and/or Participating Transmission Owners will study the requested transmission service and determine any necessary network upgrades that must be developed to provide the requested transmission service. We note, however, that there may be other just and reasonable methods for determining this minimum contribution, including methods that account for potential timing differences between when costs are incurred to develop needed Network Upgrades and the pace at which the large load ramps toward energizing at its full level of requested service. We further preliminarily find that the cost recovery agreement should include a credit support (or other financial security) requirement sufficient to secure the obligations of the Eligible Customer taking transmission service on behalf of a large load to pay the amounts owed pursuant to the cost recovery agreement. We find that a cost recovery agreement with a specified minimum financial contribution and financial security sufficient to secure such contribution is necessary to mitigate cost shifting if the Eligible Customer ultimately takes less transmission service than anticipated because the large load does not materialize as planned or is not

¹⁸⁷ See *supra* note 172.

¹⁸⁸ We emphasize that this finding is in no way intended to preempt or interfere with the ability of states to implement ratepayer protection measures designed to mitigate cost shifting among retail customers, such as through state-jurisdictional large load tariffs.

developed at all. We preliminarily find that an Eligible Customer may include a credit support or other financial security posted by a large load as part of a retail agreement to avoid creating duplicative credit support requirements. ISO-NE should explain why such a *pro forma* cost recovery agreement is not necessary to ensure just and reasonable rates, or propose such a *pro forma* cost recovery agreement. To the extent that stakeholders believe that other mechanisms could address our cost shifting concerns, we seek further briefing as discussed below.¹⁸⁹

81. Lastly, we expect that any payments made by an Eligible Customer to a transmission owner pursuant to such a cost recovery agreement (or by a large load to a transmission owner pursuant to other voluntary agreement) will be appropriately credited toward transmission owners' transmission revenue requirements consistent with the Commission's cost-of-service regulations.¹⁹⁰ We preliminarily find that it appears reasonable for filers of formula rates to provide a separate workpaper in the annual informational filing describing how any payments made pursuant to a cost recovery agreement are reflected in the transmission owner's transmission formula rate.

82. Although the Commission's concerns surrounding cost shifting described above may not present the same as in other RTOs/ISOs, we remain concerned that cost shifting may occur. We acknowledge that the requests for Regional Network Service by Eligible Customers on behalf of large loads may be studied in a Cluster Study. We note that the Cluster Study may result in network upgrades or new facilities that the Eligible Customer requesting Regional Network Service on behalf of the large load is obligated to pay for, including applicable study costs consistent with Commission policy and Schedules 11 and 12.¹⁹¹ However, we note that these cost allocation provisions in Schedules 11 and 12 may not be sufficiently clear as they do not specifically contemplate network upgrades or facilities identified for the provision of Regional Network Service. We also remain concerned that cost shifting may occur through the recovery of the Participating Transmission Owners' transmission revenue requirements for transmission projects planned through the Local Transmission Planning Process due to speculative requests to accommodate transmission service to serve large loads, i.e., where large loads do not materialize or where the MW quantity of such large loads is lower than proposed, or because of the study process used to evaluate the facilities needed, and the associated costs, to accommodate the provision of transmission service to Eligible Customers on behalf of large loads.

¹⁸⁹ See *infra* P 122.

¹⁹⁰ See 18 C.F.R. pt. 101 (2025).

¹⁹¹ ISO-NE Tariff, § II.21.1.

C. Co-Location Arrangements and Load with Behind the Meter Generation

83. The Commission recently addressed in the PJM region the need for sufficiently clear and consistent tariff provisions addressing the rates, terms, and conditions that apply to co-location arrangements and for transmission services that reflect an Eligible Customer taking transmission service on behalf of Eligible Load¹⁹² that is willing and able to limit its energy withdrawals from the transmission system under certain conditions.¹⁹³ As discussed below, ISO-NE's Tariff appears to be unjust and unreasonable because it lacks such provisions.

84. We direct ISO-NE and the Participating Transmission Owners, to the extent the matters addressed herein implicate aspects of the Tariff over which they have the filing rights, to explain whether the Tariff remains just and reasonable without provisions addressing the rates, terms and conditions that apply to interconnection customers serving co-located load and for Eligible Customers taking transmission service on behalf of Eligible Load, or propose Tariff revisions establishing the rates, terms, and conditions that apply to co-location arrangements.

1. Definition

85. The PJM Co-Location Order adopted the following definition of co-located load: a "configuration [that] refers to end-use customer load that is physically connected to the facilities of an existing or planned Customer Facility on the Interconnection Customer's side of the Point of Interconnection to the PJM Transmission System."¹⁹⁴ The PJM Co-Location Order used the term co-location arrangement when referring to both the co-located load and the associated generator.¹⁹⁵

86. For purposes of this order, it appears that it would be reasonable to define co-located load as a configuration that refers to end-use customer load that is physically connected to the facilities of an existing or planned generating facility on the generator interconnection customer's side of the point of interconnection to the RTO/ISO's

¹⁹² As discussed below, for purposes of this order, we will use the term Eligible Load to refer to co-located load and/or load with behind the meter generation. *See infra* P 88.

¹⁹³ PJM Co-Location Order, 193 FERC ¶ 61,217 at P 2; PJM Co-Location Rehearing Order, 195 FERC ¶ 61,209 at PP 91-102.

¹⁹⁴ PJM Co-Location Order, 193 FERC ¶ 61,217 at P 164 (alterations in original).

¹⁹⁵ *Id.* P 3.

transmission system. In this order, we will also use the term co-location arrangement when referring to both the co-located load and the associated generating facility.

87. ISO-NE's Tariff does not define the term "Behind the Meter Generation." For purposes of this order, it appears reasonable based upon the record to refer to Behind the Meter Generation (BTMG) similarly to how that term is used in the PJM Co-Location Order, as a generating facility that delivers energy to load without using the transmission system or any distribution facilities.¹⁹⁶

88. For purposes of this order, we will use the term Eligible Load to refer to co-located load and/or load with BTMG.¹⁹⁷

2. Jurisdiction

89. As explained in the PJM Co-Location Order, the Commission has exclusive jurisdiction to oversee the interconnection of generating facilities to the interstate transmission system, including where generators serve co-located load.¹⁹⁸ The Commission retains exclusive authority to regulate the procedures and agreements that apply to the interconnection of a generator that will make wholesale sales, both where the generator interconnects directly to the interstate transmission system and where a generator interconnects to dual-use distribution facilities.¹⁹⁹ Further, the Commission has exclusive jurisdiction over the provision of transmission service to an Eligible Customer on behalf of Eligible Load, provided that transmission of electricity is in interstate commerce.²⁰⁰ As the Commission found in the PJM Co-Location Order, we continue to acknowledge that the application of these principles depends on the specific facts and circumstances presented in particular situations.²⁰¹

¹⁹⁶ See PJM Co-Location Order, 193 FERC ¶ 61,217 at P 7 n.19 (citing PJM, Intra-PJM Tariffs, OATT, § I.1 (Definitions - A-B) (21.0.0)).

¹⁹⁷ PJM Co-Location Rehearing Order, 195 FERC ¶ 61,209 at P 91.

¹⁹⁸ PJM Co-Location Order, 193 FERC ¶ 61,217 at P 171 (citing 16 U.S.C. §§ 824d, 824e; *EPSA*, 577 U.S. at 278).

¹⁹⁹ *Id.* P 172 (citing *Nat'l Ass'n of Regul. Util. Comm'rs v. FERC*, 475 F.3d 1277, 1282 (D.C. Cir. 2007)).

²⁰⁰ *Id.* P 173.

²⁰¹ *Id.* P 174.

90. Additionally, we reiterate that certain other aspects of co-location arrangements fall squarely within the jurisdiction of the states. As we explained in the PJM Co-Location Order, states retain exclusive authority over the specific terms of retail sales and retail rate design, including retail cost allocation to the co-located load; which entities are legally permitted to provide electricity to retail customers in co-location arrangements; and which generating facilities are sited and allowed to serve co-located load.²⁰²

3. Tariff Provisions

91. We preliminarily find that ISO-NE's Tariff appears to be unjust and unreasonable or unduly discriminatory or preferential because it does not contain provisions addressing with sufficient clarity and consistency the rates, terms, and conditions of service that apply to interconnection customers serving co-located load. We also preliminarily find that ISO-NE's Tariff appears to be unjust and unreasonable or unduly discriminatory or preferential because it does not contain provisions addressing with sufficient clarity and consistency transmission services that reflect that an Eligible Customer taking transmission service on behalf of Eligible Load is willing and able to limit its energy withdrawals from the transmission system under certain conditions.

92. The absence of such provisions may leave entities unable to determine what steps they can or must take to effectuate co-location arrangements of various configurations. One step includes determining how interconnection customers serving co-located load may use generator interconnection processes in ISO-NE's Tariff to facilitate their co-location arrangements. A further step includes requiring interconnection customers serving co-located load to specify the Eligible Customer taking transmission service on behalf of the co-located load under the Tariff for purposes of assessing charges, including the appropriate charges for wholesale services that should apply to such Eligible Customers. Without such a common and consistent understanding of entities' responsibilities relevant to co-location arrangements, many of which may significantly affect rates and are realistically susceptible of specification,²⁰³ we are concerned that these arrangements may be developed in a manner that is itself unjust and unreasonable or that may result in unjust and unreasonable rates for other customers.

93. Moreover, as discussed further below, we are especially concerned that the absence of Tariff provisions addressing transmission and ancillary service rates for Eligible Customers taking transmission service on behalf of Eligible Load creates the potential that Eligible Customers, on behalf of Eligible Load, may not be required to pay for wholesale transmission services that they receive, as required by the cost causation

²⁰² *Id.* PP 167-169.

²⁰³ *Hecate Energy Greene Cnty. 3 LLC v. FERC*, 72 F.4th 1307, 1312 (D.C. Cir. 2023).

principle. That principle provides that all Commission-jurisdictional rates and charges must “reflect to some degree the costs actually caused by the customer who must pay for them,”²⁰⁴ and that costs must be allocated in a manner that is at least roughly commensurate with the benefits that entity receives.²⁰⁵

94. We preliminarily find that ISO-NE’s Tariff appears to be unjust and unreasonable because it lacks sufficient clarity and consistency as to the rates, terms, and conditions of service that apply to interconnection customers serving co-located load, including the scope of the analyses ISO-NE performs as part of its existing study process to evaluate the impacts of co-location arrangements, which may need to account for any potential dynamic impacts of co-located load and any potential impacts of requests to modify an existing generating facility’s interconnection service level to serve co-located load on transmission system reliability. Additionally, in the PJM Co-Location Order, the Commission found that it was necessary to clarify that interconnection customers seeking to use new generating facilities to serve co-located load may (1) request interconnection service at a level below the generating facility’s maximum facility output; (2) use existing procedures to accelerate interconnection requests that satisfy certain tariff criteria; and (3) request provisional interconnection service and surplus interconnection service.²⁰⁶ As such, interconnection customers seeking to use their generating facilities to serve co-located load have no means of knowing the appropriate mechanism for setting forth the terms and conditions of co-location arrangements. We are concerned that the details of such a process—including the existing rules and studies applicable to such generator interconnection arrangements—are not sufficiently detailed in the Tariff to ensure clarity for how interconnection customers may seek to serve co-located load. Moreover, without an Eligible Customer designated to take transmission service on behalf of a co-located load, there is no mechanism for ISO-NE to address situations in which a co-located load withdraws energy from the transmission system.

95. Therefore, we preliminarily find that ISO-NE’s Tariff appears to be unjust and unreasonable because it does not contain provisions addressing with sufficient clarity and consistency the rates, terms, and conditions of service that apply to interconnection customers serving co-located load. ISO-NE should explain whether the Tariff remains just and reasonable without such provisions, or propose Tariff revisions.

²⁰⁴ *Midwest ISO Transmission Owners v. FERC*, 373 F.3d at 1368.

²⁰⁵ *See, e.g., Ill. Com. Comm’n v. FERC*, 576 F.3d at 476.

²⁰⁶ PJM Co-Location Order, 193 FERC ¶ 61,217 at PP 231-235. PJM’s compliance filing proposing revisions in response to these directives was accepted in part on April 16, 2026. *PJM Interconnection, L.L.C.*, 195 FERC ¶ 61,030.

96. We have similar concerns regarding ISO-NE's existing rate designs for transmission and ancillary services that are used by Eligible Customers taking transmission service on behalf of Eligible Load. The Commission has previously found that co-located loads that are synchronized with the transmission system use and benefit from at least some ancillary services and may be reasonably charged for such benefits.²⁰⁷ Specifically, the Commission has found that, regardless of whether a co-located load withdraws energy from the transmission system, co-located load relies on and benefits from regulation service and black start service, and concluded that Eligible Customers taking one of the new transmission services (discussed below) on behalf of co-located load must pay for these ancillary services on a gross demand basis.²⁰⁸ In the PJM Co-Location Rehearing Order, the Commission applied these findings to Eligible Customers taking transmission service on behalf of load with BTMG.²⁰⁹ However, ISO-NE's Tariff does not appear to include a mechanism by which an Eligible Customer, on behalf of Eligible Load, would be charged for ancillary services commensurate with its usage of such services, particularly if such customer did not withdraw energy from the transmission system. We note that New England Consumer-Owned Systems asserts that co-location arrangements could allow large loads to bypass transmission, energy, capacity, and ancillary service charges while shifting those costs to regional transmission customers.²¹⁰

97. Therefore, we preliminarily find that ISO-NE's Tariff appears to be unjust and unreasonable because it does not address whether and how Eligible Customers taking one of the new transmission services on behalf of Eligible Loads will be charged for their use of regulation and black start services, which introduces the risk that Eligible Load may benefit from regulation and black start services without contributing to cost recovery for such services. As noted in the PJM Co-Location Order, this introduces the risk that costs may be allocated entirely to other transmission customers and passed through to residential customers, among others.²¹¹ ISO-NE should explain whether the Tariff remains just and reasonable without requiring Eligible Customers taking one of the new transmission services on behalf of Eligible Loads to pay for regulation and black start services on a gross demand basis, or propose Tariff revisions that require them to do so.

²⁰⁷ PJM Co-Location Order, 193 FERC ¶ 61,217 at P 183.

²⁰⁸ *Id.* PP 184-185.

²⁰⁹ *See* PJM Co-Location Rehearing Order, 195 FERC ¶ 61,209 at P 400.

²¹⁰ New England Consumer-Owned Systems November 21 ANOPR Comments at 3, 13-16.

²¹¹ *See* PJM Co-Location Order, 193 FERC ¶ 61,217 at P 159.

98. The Commission also found in the PJM Co-Location Order that Eligible Customers taking transmission service on behalf of co-located loads are willing and able to limit their energy withdrawals from the transmission system under certain conditions. As such, the Commission found that Eligible Customers taking transmission service on behalf of co-located loads should be allowed to choose a transmission service that aligns with their use of the transmission system and therefore aligns the charges for service with the benefits received.²¹² On rehearing, the Commission found that it is just and reasonable for these services to be available to Eligible Customers taking transmission service on behalf of loads with BTMG.²¹³ We are concerned that ISO-NE's Tariff lacks transmission services that would reflect the ability of Eligible Customers on behalf of Eligible Loads to take transmission services that align with their use of the transmission system, which may result in inefficient and costly transmission buildout and costs paid by transmission customers.²¹⁴

99. Therefore, we also preliminarily find that ISO-NE's Tariff appears to be unjust and unreasonable because it does not include transmission services that reflect Eligible Customers taking transmission service on behalf of Eligible Load that are willing and able to limit their use of the transmission system under certain conditions. ISO-NE should explain whether the Tariff remains just and reasonable without the transmission services described by the Commission in the PJM Co-Location Order, with regional variation as appropriate, being available to Eligible Customers taking transmission service on behalf of Eligible Load, or propose appropriate Tariff revisions. Specifically, ISO-NE should explain whether the Tariff remains just and reasonable without (1) an interim non-firm network transmission service while network upgrades are being constructed (i.e., interim NITS) and (2) permanent firm and non-firm contract demand transmission services (transmission service up to a specified MW quantity, i.e., the contract level, on a firm or non-firm basis). We note that the Commission has found it just and reasonable that, in order for an Eligible Customer to take interim NITS, firm contract demand transmission service, and non-firm contract demand transmission service, an Eligible Customer must have necessary control technologies and/or protection

²¹² *Id.* P 199.

²¹³ PJM Co-Location Rehearing Order, 195 FERC ¶ 61,209 at PP 101-103.

²¹⁴ *See, e.g.*, PSEG November 21 ANOPR Comments at 20 (“The Commission’s long-standing policy is to encourage reduced use of the transmission system, which would in turn reduce upgrades to the transmission system, to the benefit of all transmission customers. For instance, if a co-located load’s use of the transmission system is limited (or to a lesser degree) than other traditional in front of the meter loads, it should be responsible for costs based on its limited use.”).

systems, which may include a special protection scheme, to limit its energy withdrawals to its approved level.²¹⁵

100. Finally, we preliminary find that ISO-NE's Tariff is unjust and unreasonable because it allows load with BTMG to net its BTMG against its load for purposes of calculating Regional Network Service charges. In the PJM Co-Location Order, the Commission found that PJM's BTMG rules, which allowed load serving entities that provide service to loads with qualifying BTMG to reduce their costs by netting output from BTMG in the calculation of their peak demand for the purpose of determining NITS charges, were unjust and unreasonable.²¹⁶ The Commission concluded that PJM's BTMG rules were no longer consistent with cost causation principles because large loads configured in a BTMG arrangement with significant generation will raise cost shifting concerns compared to loads pursuing smaller amounts of netting.²¹⁷ The Commission also found that such rules could lead to reliability and resource adequacy risks because PJM is obligated to serve transmission customers using BTMG, but does not consider such customers in transmission and resource adequacy planning.²¹⁸ The Commission directed PJM to revise its retail BTMG rules, including establishing a MW threshold for the amount of load at a particular electrical location that network customers may net by using BTMG.²¹⁹ We are similarly concerned that ISO-NE's Tariff allows Network Customers that provide service to loads with BTMG to reduce their Regional Network Service charges because the definition of Monthly Regional Network Load, which is used to calculate the Regional Network Service charge, excludes load offset by the portion of the output of a Generator Asset that serves load located behind the same retail customer meter as the Generator Asset.²²⁰ ISO-NE should explain whether the Tariff remains just and reasonable even though it allows netting of BTMG from load for purposes of determining Regional Network Service charges for loads configured in a BTMG arrangement or propose Tariff revisions. Recognizing potential impacts on existing customers, we note that ISO-NE may explain whether current BTMG rules for customers that fall below a new MW materiality threshold for the amount of load at a particular

²¹⁵ PJM Co-Location Rehearing Order, 195 FERC ¶ 61,209 at P 480.

²¹⁶ PJM Co-Location Order, 193 FERC ¶ 61,217 at PP 7, 186.

²¹⁷ *Id.* P 186.

²¹⁸ *Id.*

²¹⁹ *Id.* P 221.

²²⁰ ISO-NE Tariff, § II.21.2; *see also ISO New Eng. Inc.*, 178 FERC ¶ 61,086 (2022).

electrical location that Network Customers may net using BTMG remain just and reasonable.

D. Extending New Transmission Services to Eligible Customers Taking Service on Behalf of Flexible Large Loads

101. In response to the ANOPR, a number of commenters argue that certain large loads are able to limit their withdrawals from the transmission system under certain conditions. Namely, commenters observe that flexible large loads²²¹ can quickly and verifiably adjust their consumption in response to system conditions or price signals.²²² Commenters in the ANOPR also observe that, where load studies and system planning consider the flexible nature of large loads, flexible large loads can potentially defer or reduce the need for network upgrades, among other potential benefits.²²³ In recognition of this flexibility, many commenters support new transmission services that reflect the operational capabilities of flexible large loads, including interim NITS while network upgrades are constructed, and non-firm transmission service.²²⁴

²²¹ For purposes of this order, “flexible” large loads are a subset of large loads, as used in this order, that are not co-located with generation, but are willing and able to limit their energy withdrawals from the transmission system under certain conditions.

²²² *See, e.g.*, AEMA November 21 ANOPR Comments at 1-2; Land Trust Alliance November 21 ANOPR Comments at 10; California DWR November 21 ANOPR Comments at 5; CEBA November 21 ANOPR Comments at 14-15; ClearPath November 21 ANOPR Comments at 2-4; Digital Energy Council November 21 ANOPR Comments at 1; EDF Power November 21 ANOPR Comments at 4; Emerald November 21 ANOPR Comments at 2; Verrus November 21 ANOPR Comments at 4.

²²³ *See, e.g.*, AEMA November 21 ANOPR Comments at 5; ELCON November 21 ANOPR Comments at 9; Emerald November 21 ANOPR Comments at 6-7; Institute for Progress November 21 ANOPR Comments at 11; Land Trust Alliance November 21 ANOPR Comments at 10; LS Power November 21 ANOPR Comments at 5; Microsoft November 21 ANOPR Comments at 10-11; National Grid November 21 ANOPR Comments at 19-20; OMS November 21 ANOPR Comments at 13-14; Southeast PIOs November 21 ANOPR Comments at 50.

²²⁴ *See, e.g.*, Constellation November 21 ANOPR Comments at 24-25; Calibrant November 21 ANOPR Comments at 2-4; Critical Loop November 21 ANOPR Comments at 2; Digital Power Network November 21 ANOPR Comments at 3; PIOs November 21 ANOPR Comments at 27-28; Splight November 21 ANOPR Comments at 3-4.

102. We preliminarily find that ISO-NE's Tariff appears to be unjust and unreasonable because it does not include transmission services that reflect Eligible Customers taking transmission service on behalf of flexible large loads that are willing and able to limit their use of the transmission system under certain conditions. The transmission services available to Eligible Customers, including on behalf of flexible large loads, in ISO-NE are Regional Network Service, Local Network Service, and firm and non-firm Local Point-to-Point Transmission Service.²²⁵ While these remain just and reasonable options for an Eligible Customer to take on behalf of a flexible large load, based on the record before us, we preliminarily find that new transmission services should be available to reflect the operational reality that large loads may use the transmission system to differing extents and certain large loads are willing and able to limit their use of the transmission system under certain conditions.²²⁶ As explained above, the Commission found that Eligible Customers taking transmission service on behalf of Eligible Load should be allowed to choose a transmission service that aligns with their use of the transmission system and therefore aligns the charges for service with the benefits received.²²⁷ As the record suggests, Eligible Customers taking transmission service on behalf of flexible large load also may be willing and able to limit their use of the transmission system under certain conditions. As recognized in the ANOPR record, load flexibility can avoid inefficient and costly transmission system build-out.²²⁸ In addition, transmission services that reflect that flexible large loads are willing and able to limit their withdrawals from the transmission system under certain conditions could help

²²⁵ See *supra* P 20 (describing existing transmission services in ISO-NE).

²²⁶ See *supra* P 101.

²²⁷ PJM Co-Location Order, 193 FERC ¶ 61,217 at P 199; PJM Co-Location Rehearing Order, 195 FERC ¶ 61,209 at P 103.

²²⁸ See *supra* P 101; see also PJM Co-Location Order, 193 FERC ¶ 61,217 at PP 160, 177, 199 (finding that new transmission service options reflect a co-located load's ability to limit withdrawals from the transmission system and potentially avoid costly and inefficient transmission system buildout that may not be necessary).

timely interconnect flexible large loads.²²⁹ Entities in the ISO-NE footprint acknowledge the importance of facilitating load flexibility.²³⁰

103. Therefore, we are concerned that ISO-NE's Tariff does not include transmission services that reflect the use of the transmission system by Eligible Customers on behalf of flexible large load, on both an interim and permanent basis. ISO-NE should explain whether the Tariff remains just and reasonable without the transmission services described by the Commission in the PJM Co-Location Order, with regional variation as appropriate, being available to Eligible Customers taking transmission service on behalf of flexible large loads, or propose appropriate Tariff revisions. Specifically, ISO-NE should explain whether the Tariff remains just and reasonable without (1) an interim non-firm network transmission service while network upgrades are being constructed (i.e., interim NITS) and (2) permanent firm and non-firm contract demand transmission services (transmission service up to a specified MW quantity, i.e., the contract level, on a firm or non-firm basis). Finally, we note that the Commission has found it just and reasonable that, in order for an Eligible Customer to take interim NITS, firm contract demand transmission service, and non-firm contract demand transmission service, an Eligible Customer must have necessary control technologies and/or protection systems, which may include a special protection scheme, to limit its energy withdrawals to its approved level.²³¹

E. Interconnection Customers Serving Electrically Proximate Large Load and Co-Located Load

104. In response to the ANOPR, a number of commenters agree that the ability to study new load and new generation together, when physically or electrically proximate, presents system benefits and can help address the challenges posed by large load additions.²³² Commenters argue that studies that consider large load and generation

²²⁹ See *supra* P 101; see also PJM Co-Location Order, 193 FERC ¶ 61,217 at PP 201 (finding that the interim, non-firm transmission service will facilitate the “timely” provision of transmission service and that “[t]his willingness to curtail would potentially allow them to obtain service more quickly”), 205 (recognizing that parties argue that co-located loads may be able to receive transmission service faster with use of a new, limited transmission service product than they would if they selected NITS, to the extent that providing NITS would require network upgrades that the limited transmission service would not).

²³⁰ See, e.g., Maine Public Advocate November 21 ANOPR Comments at 4-5; State Entities November 21 ANOPR Comments at 8.

²³¹ PJM Co-Location Rehearing Order, 195 FERC ¶ 61,209 at P 480.

²³² See e.g., DCC November 21 ANOPR Comments at 5-6; DTE November 21

together present a more complete picture of the grid and can enable the identification of more accurate, efficient, and cost-effective transmission solutions by minimizing system impacts.²³³ As a result, this can speed up the interconnection process for both large loads and generation, and shorten energization timelines,²³⁴ which commenters contend reduces uncertainty for both parties²³⁵ and “is necessary to match the pace of AI innovation in the United States.”²³⁶ CEBA also highlights that cost and timeline factors drive developers to submit multiple requests for price and timing discovery, which inflates queue volumes, distorts demand and supply forecasts, and causes significant delays when projects withdraw late after finding costs or energization timelines uneconomic.²³⁷ Other benefits to a joint study identified by commenters include improving load forecasting and siting decisions²³⁸ and reducing the need for critical supply chain components.²³⁹

105. Commenters contend that current generator interconnection study processes may not adequately capture generation and load, including by failing to model known electrically proximate large load in base case assumptions, which may result in inaccurate

ANOPR Comments at 11; Google November 21 ANOPR Comments at 7; International Energy Credit Association November 21 ANOPR Comments at 10; Terraflux November 21 ANOPR Comments at 1.

²³³ AEU November 21 ANOPR Comments at 13; ClearPath November 21 ANOPR Comments at 4; DCC November 21 ANOPR Comments at 5; DTE November 21 ANOPR Comments at 8-11; ENGIE November 21 ANOPR Comments at 6; Entergy November 21 ANOPR Comments at 5; Geronimo November 21 ANOPR Comments at 17-18; Information Technology Industry Council November 21 ANOPR Comments at 2.

²³⁴ DCC November 21 ANOPR Comments at 5; DTE November 21 ANOPR Comments at 8-11; Information Technology Industry Council November 21 ANOPR Comments at 2; Microsoft November 21 ANOPR Comments at 8-9; Verrus December 5 ANOPR Comments at 9.

²³⁵ ClearPath November 21 ANOPR Comments at 4; CEBA November 21 ANOPR Comments at 8.

²³⁶ Microsoft November 21 ANOPR Comments at 8-9.

²³⁷ CEBA November 21 ANOPR Comments at 8.

²³⁸ ELCON November 21 ANOPR Comments at 5; Maryland Commission November 21 ANOPR Comments at 6-7.

²³⁹ AEU November 21 ANOPR Comments at 13.

studies and inefficient system build-out.²⁴⁰ For example, Eolian states that in its experience developing a project in PJM, the failure of the generator interconnection study process to reflect reasonably expected load conditions on the grid models triggered overly costly network upgrades and caused the cancellation of generation project that could have reliably served adjacent load growth.²⁴¹

106. Commenters in the ANOPR proceeding argue that the current state of the generator interconnection queue is not meeting the expeditious time frame needed to match the pace of large load additions and ensure the safe and reliable interconnection of these loads.²⁴² For example, Oracle states that one of the most significant and widespread delays it encounters when siting data centers in the U.S. is access to sufficient energy.²⁴³ Similarly, Helion contends that more than half of U.S. developers now identify interconnection delays as the single biggest barrier to adding new generation capacity.²⁴⁴ Commenters contend that if large load interconnection proceeds more quickly than new generation can come online, the result could be price increases for consumers.²⁴⁵

107. A number of commenters support expedited interconnection studies for new generation paired with load.²⁴⁶ Some commenters argue that one solution to generator

²⁴⁰ Base Power November 21 ANOPR Comments at 7; Eolian November 21 ANOPR Comments at 18-19; Eolian May 19 ANOPR Comments at 2; Longroad November 21 ANOPR Comments at 8.

²⁴¹ Eolian May 19 ANOPR Comments at 10.

²⁴² See, e.g., AEP December 5 ANOPR Comments at 1; DCC November 21 ANOPR Comments at 8; esVolta November 21 ANOPR Comments at 11-12; Oracle May 1 ANOPR Comments at 4.

²⁴³ Oracle November 21 ANOPR Comments at 1.

²⁴⁴ Helion November 21 ANOPR Comments at 1 (citing Third Way, *Picking Up the PACE: A Comprehensive Analysis of Available Pathways to Accelerating Clean Energy (PACE)* (Nov. 2025)).

²⁴⁵ AEP December 5 ANOPR Comments at 1-2; OPSI November 21 ANOPR Comments at 6-7, 11.

²⁴⁶ See, e.g., DTE November 21 ANOPR Comments at 8; ENGIE November 21 ANOPR Comments at 4; International Energy Credit Association November 21 ANOPR Comments at 8; Meta November 21 ANOPR Comments at 5-6; Ohio FEA November 21 ANOPR Comments at 5.

interconnection delays may be the creation of time-limited or conditional interconnection service for generators serving large loads, which could require less time for initial generator interconnection studies and improve speed to power.²⁴⁷ For example, several commenters express support for SPP's HILLGA proposal as a model and urge the Commission to establish nationwide rules similar to that approach.²⁴⁸ Other commenters suggest reforms to expedite studies for new generation paired with large loads at existing points of interconnection that have already been studied, arguing it is unjust and unreasonable not to fully utilize existing infrastructure and proven reliability paths while new load waits for service.²⁴⁹

1. Jurisdiction

108. The Commission's statutory authority includes jurisdiction over the wholesale sale and transmission of electricity in interstate commerce, including the facilities used for such sale and transmission.²⁵⁰ The Commission also has exclusive jurisdiction to regulate the procedures and agreements applicable to generating facilities seeking to interconnect to a Commission-jurisdictional distribution facility or transmission facility.²⁵¹ In the PJM Co-Location Order, the Commission observed that a generator's interconnection to the interstate transmission system "does not fall outside of the Commission's jurisdiction merely because there is [c]o-[l]ocated [l]oad behind the

²⁴⁷ AEP December 5 ANOPR Comments at 12; AEU November 21 ANOPR Comments at 13; Google December 5 ANOPR Comments at 15; *see also* Duke November 21 ANOPR Comments at 21-22.

²⁴⁸ AEP December 5 ANOPR Comments at 4; Crusoe December 5 ANOPR Comments at 7; Enchanted Rock November 21 ANOPR Comments at 4; Google November 21 ANOPR Comments at 7; GridStor November 21 ANOPR Comments at 5; Verrus November 21 ANOPR Comments at 9.

²⁴⁹ Constellation June 5 ANOPR Comments at 8-9.

²⁵⁰ 16 U.S.C. § 824(b)(1).

²⁵¹ *Id.*; *Nat'l Ass'n of Regul. Util. Comm'rs v. FERC*, 475 F.3d at 1280-82 (affirming Order No. 2003 and observing that "interconnections appear to be relationships between parties with respect to electricity flowing over facilities. . . . By establishing standard agreements [the Commission] has exercised its jurisdiction over the *terms* of those relationships."); *see Pac. Gas & Elec. Co.*, 115 FERC ¶ 61,193 at P 36 ("[I]nterconnection is part and parcel of transmission of electric energy in interstate commerce, and thus interconnection service is part and parcel of jurisdictional transmission service.").

generator's point of interconnection."²⁵² By the same token, the Commission retains jurisdiction over a generator's interconnection even where the generator plans to serve an electrically proximate large load.

109. We recognize that states have exclusive authority over resource planning and the generation mix within their boundaries.²⁵³ Nothing about our preliminary finding here, however, intrudes or is intended to intrude on that exclusive authority. Rather, we preliminarily find that it is necessary and appropriate to exercise our exclusive jurisdiction over generator interconnection to ensure the availability of generator interconnection processes specifically tailored to the unique operational characteristics of generating facilities dedicated to serving electrically proximate large loads and co-located loads, as defined below. The Commission has exercised this jurisdiction previously in requiring generator interconnection services that allow certain generating facilities to interconnect more quickly through the use of provisional interconnection service and surplus interconnection service,²⁵⁴ and has approved interconnection processes that allow certain generating facilities to interconnect more quickly by replacing a retiring existing generating facility.²⁵⁵

2. Definitions

110. For purposes of this order, it appears to be reasonable to use the term "electrically proximate large load" to mean a large load, as defined in this order,²⁵⁶ that is sufficiently electrically close to the interconnection customer's requested point of interconnection, such that the impact on the transmission system of the combination of the generating facility and the load, with the exception of the transmission facilities between the two, will be effectively the same as if they were located at the same substation (e.g., large load that is located no more than two substations away from the generating facility). We will

²⁵² PJM Co-Location Order, 193 FERC ¶ 61,217 at P 171.

²⁵³ See, e.g., *Citizens Action Coal. of Ind., Inc. v. FERC*, 125 F.4th at 238 (citing 16 U.S.C. § 824(b)(1)).

²⁵⁴ *Reform of Generator Interconnection Procs. & Agreements*, Order No. 845, 163 FERC ¶ 61,043, at PP 438, 467 (2018), *order on reh'g & clarification*, Order No. 845-A, 166 FERC ¶ 61,137, *order on reh'g & clarification*, Order No. 845-B, 168 FERC ¶ 61,092 (2019); Order No. 2023, 184 FERC ¶ 61,054 at P 1436; *PJM Interconnection, L.L.C.*, 190 FERC ¶ 61,083 (2025).

²⁵⁵ See, e.g., *PJM Interconnection, L.L.C.*, 194 FERC ¶ 61,079 (2026); *Midcontinent Indep. Sys. Operator Inc.*, 167 FERC ¶ 61,146 (2019).

²⁵⁶ See *supra* P 56.

consider proposed revisions to this definition that ensure it is appropriately tailored to ISO-NE's transmission system.

3. Tariff Provisions

111. We preliminarily find that ISO-NE's Tariff appears to be unjust and unreasonable because it does not contain provisions allowing an interconnection customer to seek the generator interconnection service(s) that reflects the operational dynamics of serving either: (1) an electrically proximate large load; or (2) a co-located load, as defined in this order,²⁵⁷ that has a high peak load (i.e., large co-located loads that are 50 MW or greater).²⁵⁸ Specifically, we preliminarily find that ISO-NE's Tariff appears to be unjust and unreasonable because it lacks a generator interconnection study process and/or generator interconnection service to reflect an interconnection customer's commitment in an interconnection agreement to limit the generating facility's output to minimize the impact on the transmission system while serving an electrically proximate large load or large co-located load. We are concerned that ISO-NE's Tariff lacks, for example, generator interconnection study procedures and generator interconnection services that reflect (a) an interconnection customer's commitment in an interconnection agreement to limit a generating facility's output to match the hourly forecast of an electrically proximate large load or large co-located load; and/or (b) a generating facility with necessary control technologies and/or protection systems, which may include a special protection scheme,²⁵⁹ that ensure that the injection does not exceed the limit in the existing or new interconnection agreement. Where a generating facility's output is matched to the demand of the electrically proximate large load or large co-located load or if the generating facility's output is limited to ensure no new injection, the impacts to the transmission system of interconnecting the generating facility to serve that electrically proximate large load or large co-located load may be limited,²⁶⁰ thereby potentially reducing the need for network upgrades, which can accelerate the generator

²⁵⁷ See *supra* P 86.

²⁵⁸ We note that generator interconnection service in and of itself does not convey transmission service.

²⁵⁹ PJM Co-Location Rehearing Order, 195 FERC ¶ 61,209 at P 480.

²⁶⁰ In other words, because the generating facility and load are located so closely on the transmission system, if the generating facility's output matches the load's demand, then the transmission provider would need to study only the local impacts because the impact on the transmission system of the combination of the generating facility and the load, with the exception of the transmission facilities between the two, will be effectively the same as if they were located at the same substation.

interconnection process.²⁶¹ In the absence of Tariff provisions accounting for these operational dynamics when an interconnection customer's generating facility is serving electrically proximate large loads or large co-located loads, new shovel-ready generating facilities may face unnecessary delays in reaching commercial operation under current generator interconnection processes and will be unable to serve the immediate demand of new large loads or large co-located loads.²⁶²

112. As commenters in the ANOPR proceeding have recognized, the status quo may result in inefficient and unnecessary development of infrastructure, which leads to unnecessarily higher network upgrade costs that may result in unjust and unreasonable rates.²⁶³ The Commission has already determined in the PJM Co-Location Order that without the new transmission services that reflect the operational dynamics of co-location arrangements, there could be unnecessary, costly, and inefficient network upgrades, increasing network upgrades costs.²⁶⁴ The same result may occur in the absence of new

²⁶¹ See, e.g., AEU November 21 ANOPR Comments at 13 (“To the extent that a new large load and new generation or storage resource are geographically and electrically proximate, studying them together would reduce network upgrades, lower costs, and reduce the need for critical supply chain components.”); DTE November 21 ANOPR Comments at 10 (integrating the study of load and its supporting generation “reduces the need for network upgrades, optimizes the use of existing infrastructure, and accelerates the timeline for bringing both load and generation online”); Eolian November 21 ANOPR Comments at 18 (“It is obvious from basic engineering principles that generation located near load requires less transmission infrastructure to serve that load than generation located distant from load.”); GridStor November 21 ANOPR Comments at 5 (“Siting a large load near or at the same point of interconnection as a new generating facility could reduce the network upgrades needed to interconnect only the load or only the generating facility.”).

²⁶² See AEP December 5 ANOPR Comments at 1; Base Power November 21 ANOPR Comments at 7; CEBA November 21 ANOPR Comments at 8; DCC November 21 ANOPR Comments at 6 (asserting that a clear framework to study large loads paired with generation would resolve development bottlenecks); Eolian November 21 ANOPR Comments at 18-19; Eolian May 19 ANOPR Comments at 2; Google November 21 ANOPR Comments at 7 (calling for nationwide rules enabling proximate load-generation interconnection to “accelerate the pace at which new generation comes online”); Longroad November 21 ANOPR Comments at 8.

²⁶³ See, e.g., AEU November 21 ANOPR Comments at 13, AEP December 5 ANOPR Comments at 1-2; Longroad November 21 ANOPR Comments at 8; OPSI November 21 ANOPR Comments at 11.

²⁶⁴ PJM Co-Location Order, 193 FERC ¶ 61,217 at P 177 (“[F]or Eligible

generator interconnection study procedures and generator interconnection services tailored to a new generating facility coming online for the express purpose of serving an electrically proximate large load or large co-located load.²⁶⁵

113. SPP recognized this problem and submitted an FPA section 205 filing to implement a new, interim, generator interconnection service and related generator interconnection process, HILLGA, to facilitate the prompt interconnection of generating facilities that are specifically identified for and limited to serving a HILL, which the Commission accepted.²⁶⁶ The Commission found that HILLGA “reasonably provides a flexible, expedited, and separate serial interconnection process that will facilitate the prompt interconnection of generating facilities that are limited to serving a HILL in the same local area.”²⁶⁷ We do not expect or propose that ISO-NE adopt an identical process to SPP’s HILLGA process, nor do we preliminarily find that the absence of Tariff provisions specifically mirroring SPP’s Tariff renders ISO-NE’s Tariff unjust and unreasonable. Nevertheless, we remain concerned that the Tariff may be unjust and unreasonable without *any* uniquely tailored interconnection study process and/or generator interconnection service to recognize the reduced transmission system impacts that may result from the interconnection of a generating facility where the interconnection customer has committed, in an interconnection agreement, to limit the generating facility’s output to match the hourly forecast of an electrically proximate large load or large co-located load.²⁶⁸ To the extent that the interconnection customer’s

Customers taking service on behalf of Co-Located Loads that do not reserve transmission . . . requiring such Eligible Customers to take NITS on behalf of these Co-Located Loads may in some circumstances result in costly and inefficient transmission system buildout that may not be necessary if such Eligible Customers are willing and able to take a transmission service that requires fewer Network Upgrades to provide, and therefore may result in lower Network Upgrade costs, than would NITS.”).

²⁶⁵ See AEP December 5 ANOPR Comments at 1-2 (stating that current processes produce insufficient/inefficient infrastructure and “potentially unsustainable price increases”); Eolian May 19 ANOPR Comments at 2, 10 (contending that a lack of coordinated study leads to unjust and unreasonable outcomes).

²⁶⁶ SPP HILL Order, 194 FERC ¶ 61,031.

²⁶⁷ *Id.* P 64.

²⁶⁸ While, as discussed above, we view such a process that permits generation to serve electrically proximate loads no more than two substations away from the generators to be reasonable, we understand the unique features of ISO-NE’s transmission system may warrant consideration of a more limited definition of electrically proximate. See Duke November 21 ANOPR Comments at 21-22; DTE November 21 ANOPR

generating facility is serving an electrically proximate large load, we believe that the generator interconnection service should be of an interim nature until the interconnection customer obtains Energy Resource Interconnection Service (ERIS) or Network Resource Interconnection Service (NRIS). To the extent that the interconnection customer's generating facility is serving a large co-located load, it may be reasonable for the generator interconnection service to be permanent because there will be no injections onto the transmission system and therefore it does not present operational or planning risks for reliability.

114. Another potentially reasonable approach could be to develop a generator interconnection study process that would allow the use of existing ERIS or NRIS of an existing generator to connect a new generating facility and a new large load behind the same point of interconnection of the existing generator with necessary control technologies and/or protection systems, which may include a special protection scheme, that ensure that the net injection does not exceed the amount in the existing generator interconnection agreement.²⁶⁹ Such an approach could expedite the interconnection study process for a generator planning to serve an electrically proximate (in this case at the same point of interconnection) large load.²⁷⁰ An additional potentially reasonable approach could be a new load-limited generator interconnection service that allows a new generating facility and new large co-located load seeking to interconnect behind the *same* new point of interconnection, with necessary control technologies and/or protection systems, which may include a special protection scheme, to ensure that there is no injection to the transmission system.²⁷¹ It may be reasonable for such a load-limited generator interconnection service to be or not to be of an interim nature. We invite ISO-NE and/or Participating Transmission Owners, in responding to this order or in an FPA section 205 filing, to submit original proposals designed to address the concerns expressed herein and tailored to their unique circumstances.

Comments at 8-11 (asserting that studying large loads with electrically proximate generation streamlines interconnection and reduces upgrades); AEU November 21 ANOPR Comments at 13-15.

²⁶⁹ See Constellation June 5 ANOPR Comments at 1-2, 10-13.

²⁷⁰ See *id.* at 5 (explaining that when new generation load pairings “are sited at an existing generator’s Point of Interconnection and fall within the same study parameters reflected by that existing generator’s interconnection, they benefit from studies and upgrades already completed for that existing generator and can come on more rapidly without jeopardizing reliability”).

²⁷¹ See MISO November 21 ANOPR Comments at 13; *see also* MISO TOs April 3 ANOPR Comments at 13-14.

115. We are concerned that the absence of generator interconnection study procedures and generator interconnection services facilitating the interconnection of a new generating facility that is being brought onto the transmission system in order to serve an electrically proximate large load or large co-located load will result in ISO-NE's current generator interconnection process failing to keep pace with the new large loads seeking to be integrated onto ISO-NE's transmission system.²⁷² We preliminarily find that this outcome may be unjust and unreasonable because reliance on ISO-NE's current generator interconnection processes for generating facilities serving electrically proximate large loads or large co-located loads could result in unnecessary interconnection delays, unnecessary network upgrades, and an otherwise inefficient expansion of the transmission system, imposing unnecessary delays and costs on transmission customers.

116. ISO-NE should explain whether the Tariff remains just and reasonable without, for example, provisions that establish: (1) a new generator interconnection study process and new interim generator interconnection service that reflect an interconnection customer's commitment, in a generator interconnection agreement, to limit a generating facility's output to match the hourly forecast of an electrically proximate large load or large co-located load; or (2) a generator interconnection study process that allows the use of the existing ERIS or NRIS of an existing generator to connect a new generating facility and a new large load behind the same point of interconnection of the existing generator with necessary control technologies and/or protection systems, which may include a special protection scheme, that ensures that the net injection does not exceed the amount in the existing generator interconnection agreement; or (3) a new generator interconnection service that allows a new generating facility and new large co-located load seeking to interconnect behind the same new point of interconnection with necessary control technologies and/or protection systems, which may include a special protection scheme, to ensure that there is no injection to the transmission system. We note that, with respect to numbers (2) or (3), these approaches could be either interim or permanent. These approaches may not be mutually exclusive.

117. Given that generator interconnection service in and of itself does not convey transmission service, we encourage ISO-NE to consider, in responding to these concerns, what type of transmission service an Eligible Customer will need to take on behalf of the

²⁷² See Helion November 21 ANOPR Comments at 1 (noting interconnection delays are the biggest barrier to adding new generation); Oracle November 21 ANOPR Comments at 1 (noting significant delays in access to sufficient energy for data centers); OPSI November 21 ANOPR Comments at 11 (explaining that expedited study encourages loads to bring their own generation); Enchanted Rock November 21 ANOPR Comments at 4; Microsoft November 21 ANOPR Comments at 8-9.

electrically proximate large load or large co-located load.²⁷³ We note that, in the PJM Co-Location Order, the Commission found that the Eligible Customer must take transmission service on behalf of co-located load that will not withdraw energy from the transmission system, even if it is 0 MW.²⁷⁴

F. Informational Report

118. The rapid addition and proliferation of large loads without commensurate additions of supply or demand-side resources presents resource adequacy concerns. As discussed above and highlighted in the ANOPR, the growth of demand, and the speed of such growth, is driven in large part by the interconnection of large loads. While not expressly contemplated in the ANOPR, commenters highlight the strain rapid demand growth is putting on resource adequacy in many regions.²⁷⁵ Indeed, the relative speed and concentration at which large loads are seeking to interconnect appears to be outpacing the addition of new generation, which in turn heightens reliability risks and drives up costs to ratepayers.²⁷⁶ We are concerned that ISO-NE and load serving entities are unable to plan adequate generation to serve all load at the pace such load seeks to connect.

119. We recognize that ISO-NE is currently engaged with stakeholders to improve resource adequacy through the Capacity Auction Reforms Seasonal/Accreditation Key Project, which seeks to better address seasonal reliability challenges and to more accurately reflect resource contributions to resource adequacy.²⁷⁷ Additionally, ISO-NE is engaging with transmission owners regarding potential large load interconnections, and is communicating with states to understand any potential policies creating incentives for

²⁷³ See SPP HILL Order, 194 FERC ¶ 61,031 at P 34.

²⁷⁴ PJM Co-Location Order, 193 FERC ¶ 61,217 at P 206.

²⁷⁵ See, e.g., Entergy November 21 ANOPR Comments at 29-30; Eolian November 21 ANOPR Comments at 16-17; Industrial Customers November 21 ANOPR Comments at 24-26; R Street November 21 ANOPR Comments at 1; South Dakota Commission November 13 ANOPR Comments at 5; Talen December 5 ANOPR Comments at 7.

²⁷⁶ See, e.g., Eolian November 21 ANOPR Comments at 16-17; David Gardiner & Associates November 21 ANOPR Comments at 1-2; Joint Consumer Advocates December 5 ANOPR Comments at 2; PSEG November 21 ANOPR Comments at 8; Southern California Edison December 5 ANOPR Comments at 3.

²⁷⁷ See ISO-NE, *Capacity Auction Reforms Key Project*, <https://www.iso-ne.com/committees/key-projects/capacity-auction-reforms-key-project>.

data centers and to share information on how ISO-NE would review such proposed developments.²⁷⁸ Accordingly, we direct ISO-NE to submit in Docket No. EL26-72-000, within 30 days of the date of issuance of this order, a detailed informational report on any proposals under consideration in its stakeholder process to address the issue of resource adequacy to serve new large loads. We also strongly encourage new proposals to the extent necessary to address these concerns. The informational report must include a detailed schedule of key milestones, such as stakeholder or ISO-NE Board votes, that includes the estimated date on which ISO-NE expects to file any such proposals with the Commission. Additionally, as part of this informational report, we direct ISO-NE to identify any ongoing stakeholder processes that aim to increase the pace of adding generating capacity in the ISO-NE region. The informational report must include a detailed schedule of such initiatives, including timing of the stakeholder process and dates of any anticipated filings with the Commission.

IV. Briefing Questions

120. We note that large loads, including data centers, are actively working with transmission owners and other relevant entities to interconnect to, and to take interconnection and/or transmission service from, the transmission system and may be at varying stages of that process. We appreciate that different large loads are currently at different stages of that process. We also understand that large loads and Eligible Customers taking transmission service on behalf of large loads are negotiating, entering into, and/or have executed various agreements related to interconnecting to the transmission system and/or the provision of transmission service. We direct further briefing regarding how ISO-NE and the Participating Transmission Owners, in responding to the order to show cause, should protect existing commercial arrangements including: (1) what would be a reasonable implementation period to ensure minimal disruption to such existing commercial arrangements, and (2) how to allow a reasonable amount of time to finalize ongoing agreements that are nearing completion as of the date such Tariff provisions are filed with the Commission.

121. Today's order proposes, as part of a potential replacement rate, to establish new transmission services that recognize flexible large loads' ability and willingness to limit their use of the transmission system under certain conditions. As we assess this proposal, we also consider how these new transmission services might affect other parts of ISO-NE's Tariff and/or processes. Specifically, what, if any, potential impacts on regional and local transmission planning would arise from the introduction of the new transmission services discussed herein? For example, when planning for load growth, how would transmission providers and planners account for flexible large loads' potential

²⁷⁸ ISO-NE Letter at 1-2.

preference to take the new transmission services, including potential uncertainties around the type, location, and quantity of such expected loads?

122. Today's order preliminarily finds that ISO-NE's Tariff appears to be unjust and unreasonable without the inclusion of cost shifting protections. We find that there may be a variety of possible approaches to protect customers from significant cost shifts associated with network upgrades triggered by large loads. To that end, we direct respondents to include information regarding potential structures for agreements between the transmission owner/provider and an Eligible Customer to prevent unjust and unreasonable cost shifts among transmission customers related to network upgrades costs required for large loads. Further, please include information on what an appropriate minimum level of cost recovery and financial security from an Eligible Customer would be under any such agreements.

123. Today's order preliminarily finds that ISO-NE's Tariff appears to be unjust and unreasonable because it lacks clear and consistent provisions requiring the evaluation of alternative transmission technologies. The order directs ISO-NE to explain whether the Tariff remains just and reasonable without provisions that (1) require the evaluation of alternative transmission technologies in transmission service request studies, using models that are capable of evaluating the transmission system to accurately account for advanced transmission technologies, in all instances, without the need for a request from the Eligible Customer seeking transmission service on behalf of large load; and (2) if traditional network upgrades are selected instead of alternative transmission technologies, inclusion in the study report to the Eligible Customer seeking transmission service on behalf of large load of a sufficiently clear demonstration of why alternative transmission technologies are not feasible (i.e., would not resolve reliability violations identified or meet the relevant planning criteria) or would not result in lower costs or a faster timeline for accommodating the transmission service request. As noted above, to the extent stakeholders believe that specific characteristics of providing transmission service to Eligible Customers on behalf of large loads warrant requirements beyond those contemplated here, we seek further briefing.

124. Today's order preliminarily finds that ISO-NE Tariff appears to be unjust and unreasonable because it does not contain provisions allowing an interconnection customer serving electrically proximate large load or large co-located load to seek generator interconnection service(s) that reflects the operational dynamics of serving such loads. Any filings or tariff changes submitted in response to this order should address the following questions:

- a. To what extent would ISO-NE allow an interconnection customer's generating facility serving electrically proximate large load or large co-located load to participate in ISO-NE's energy and ancillary services

market, and if ISO-NE were to allow them to participate, what restrictions or mitigation would ISO-NE apply?

- b. To the extent that ISO-NE plans for the electrically proximate large load or large co-located load associated with an interconnection customer's generating facility for resource adequacy purposes, would ISO-NE account for the generating facilities serving electrically proximate large load or large co-located load in the resource adequacy construct? If applicable, would ISO-NE allow the generating facilities serving electrically proximate large load or large co-located load to participate in ISO-NE's capacity market? If so, would ISO-NE accredit these generating facilities using the same method as other ISO-NE generating facilities?

The Commission orders:

(A) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Energy Regulatory Commission by section 402(a) of the Department of Energy Organization Act and by the FPA, particularly section 206 thereof, and pursuant to the Commission's Rules of Practice and Procedure and the regulations under the FPA (18 C.F.R. Chapter I), the Commission hereby institutes a proceeding in Docket No. EL26-72-000 as discussed in the body of this order.

(B) ISO-NE and the Participating Transmission Owners are hereby directed, within 60 days of the date of the order, either: (1) to show cause as to why the Tariff remains just and reasonable and not unduly discriminatory or preferential; or (2) to explain what changes to the Tariff they believe would remedy the identified concerns if the Commission were to determine that the Tariff has in fact become unjust and unreasonable or unduly discriminatory or preferential and, therefore, proceeds to establish a replacement Tariff.

(C) ISO-NE is directed to submit an informational report within 30 days of the date of issuance of this order, as discussed in the body of this order.

(D) Any interested person desiring to be heard in Docket No. EL26-72-000 must file a notice of intervention or motion to intervene, as appropriate, with the Federal Energy Regulatory Commission, 888 First Street, NE, Washington, DC 20426, in accordance with Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2025), within 21 days of the date of issuance of this order. The Commission encourages electronic submission of interventions in lieu of paper using the "eFiling" link at <http://www.ferc.gov>. Persons unable to file electronically may file by U.S. mail addressed to Federal Energy Regulatory Commission, Secretary of the Commission, 888 First Street, N.E., Washington, DC 20426, or by hand (including

courier) delivery to Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, MD 20852.

(E) Interested entities may respond within 30 days of ISO-NE's and the Participating Transmission Owners' filing, addressing either or both of: (1) whether the Tariff remains just and reasonable and not unduly discriminatory or preferential; and (2) if not, what changes to the Tariff should be implemented as a replacement rate.

(F) The Secretary shall promptly publish in the Federal Register a notice of the Commission's initiation of the proceeding under section 206 of the FPA in Docket No. EL26-72-000.

(G) The refund effective date in Docket No. EL26-72-000 pursuant to section 206 of the FPA shall be the date of publication in the Federal Register of the notice discussed in Ordering Paragraph (F) above.

By the Commission. Chairman Swett is concurring with a separate statement attached.
Commissioner Rosner is concurring with a separate statement attached.
Commissioner See is concurring with a separate statement attached.
Commissioner Chang is concurring with a separate statement attached.
Commissioner LaCerte is concurring with a separate statement attached.

(S E A L)

Debbie-Anne A. Reese,
Secretary.

Appendix - Commenters in Docket No. RM26-4-000

Advanced Energy Management Alliance (AEMA)
Advanced Energy United (AEU)
Advancing Modern Powerlines Coalition (together with Working for Advanced
Transmission Technologies Coalition, WATT and Advancing Modern Powerlines)
Advocates for Consumer Regulated Electricity
AES Corporation
AI Supply Chain Alliance
Alexandre Figueras, on behalf of Monza Tech
Alliance for Tribal Clean Energy
Alliant Energy Corporate Services, Inc.
Amazon Energy LLC (Amazon)
America's Power
American Chemistry Council
American Clean Power Association
American Conservation Coalition
American Council on Renewable Energy (ACORE)
American Electric Power Service Corporation²⁷⁹
American Public Gas Association
American Public Power Association (APPA)
American Terawatt, Inc. (American Terawatt)
American Transmission Company LLC (ATC)²⁸⁰
Americans for a Clean Energy Grid
Antora Energy, Inc.
Arevia Power
Arizona Public Service Company
Arkansas Public Service Commission
Attorney General of the State of Oklahoma

²⁷⁹ American Electric Power Service Corporation submitted comments on behalf of its affiliates Appalachian Power Company, Indiana Michigan Power Company, Kentucky Power Company, Kingsport Power Company, Ohio Power Company, Wheeling Power Company, Public Service Company of Oklahoma, Southwestern Electric Power Company, AEP Appalachian Transmission Company, Inc., AEP Indiana Michigan Transmission Company, Inc., AEP Kentucky Transmission Company, Inc., AEP Ohio Transmission Company, Inc., AEP West Virginia Transmission Company, Inc., AEP Oklahoma Transmission Company, Inc., and AEP Southwestern Transmission Company, Inc.

²⁸⁰ ATC submitted comments on behalf of itself and its corporate manager ATC Management Inc.

Base Power Company, Inc. (Base Power)
Bloom Energy Corporation
Buckeye Power, Inc. (Buckeye)
Calibrant Energy Holdings, LLC (Calibrant)
California Department of Water Resources State Water Project (California DWR)
California Independent System Operator Corporation
California Public Utilities Commission (CPUC)
Center for Biological Diversity
Chevron U.S.A., Inc.
Clean Energy Buyers Association (CEBA)
ClearPath, Inc. (ClearPath)
Confederated Tribes and Bands of the Yakama Nation
Constellation Energy Generation, LLC (Constellation)
Consumer Energy Alliance
Consumers Energy Company
Critical Loop, Inc. (Critical Loop)
Crusoe Energy Systems, Inc. (Crusoe)
CTC Global Corporation
Data Center Coalition (DCC)
David Gardiner & Associates
Delaware Division of the Public Advocate (together with Pennsylvania Office of
Consumer Advocate, Joint Consumer Advocates)²⁸¹
Digital Energy Council
Digital Power Network
Distributed Capacity Parties²⁸²
Dr. Elisa Nelson
DTE Electric Company (DTE)
Duke Energy Corporation (Duke)
EDF Power Solutions, Inc. (EDF Power)
Edison Electric Institute (EEI)
Electricity Consumers Resource Council (ELCON)
Electricity Customers Alliance (ECA)
Electric Power Supply Association (EPSA)
Emerald AI (Emerald)
Enchanted Rock, LLC
Energy Trading Institute

²⁸¹ The Illinois Attorney General joined the Joint Consumer Advocates in filing reply comments.

²⁸² Distributed Capacity Parties include: Cloverleaf Infrastructure; Spark Community Investment d/b/a Sparkfund; and Voltus, Inc.

ENGIE North America, Inc. (ENGIE)
Entergy Services, LLC (Entergy)²⁸³
Environmental Law & Policy Center
Eolian L.P. (Eolian)
Equinix, Inc.
esVolta, LP
ETX Upstream, LLC
Eversource Energy (Eversource)²⁸⁴
Exelon Corporation (Exelon)²⁸⁵
Fervo Energy Company (Fervo)
FirstEnergy Service Company²⁸⁶
Front Door Technologies LLC
Fluence
FuelCell Energy, Inc.
Georgia Public Service Commission
Geronimo Power, LLC (Geronimo)
Google LLC (Google)
Governors Josh Shapiro and Glenn Youngkin
GridCARE
GridStor LLC (GridStor)
Harvard Electricity Law Initiative
Helion Energy (Helion)
Herbert Schrayschuen

²⁸³ Entergy submitted comments on behalf of the Entergy Operating Companies, which include Entergy Arkansas, LLC, Entergy Louisiana, LLC, Entergy Mississippi, LLC, Entergy New Orleans, LLC, and Entergy Texas, Inc.

²⁸⁴ Eversource submitted comments on behalf of its affiliates The Connecticut Light and Power Company, NSTAR Electric Company, and Public Service Company of New Hampshire, and through its agent Eversource Energy Service Company.

²⁸⁵ Exelon submitted comments on behalf of itself and its affiliates Atlantic City Electric Company, Baltimore Gas and Electric Company, Commonwealth Edison Company, Commonwealth Edison Company of Indiana, Inc., Delmarva Power and Light Company, PECO Energy Company, and Potomac Electric Power Company.

²⁸⁶ FirstEnergy Service Company submitted comments on behalf of itself and its affiliates American Transmission Systems, Inc., Jersey Central Power & Light Company, Mid-Atlantic Interstate Transmission LLC, Keystone Appalachian Transmission Company, The Potomac Edison Company, Monongahela Power Company, and Trans-Allegheny Interstate Line Company.

Heron Power Electronics Company
Indiana Energy Association
Indicated PJM Transmission Owners²⁸⁷
Industrial Customer Organizations (Industrial Customers)²⁸⁸
Information Technology Industry Council
Infrastructure Masons, Inc. (Infrastructure Masons)
Institute for Progress
International Energy Credit Association
Invenergy²⁸⁹
Iron Mountain Data Centers, LLC
ISO New England, Inc. (ISO-NE)

²⁸⁷ Indicated PJM Transmission Owners include: AEP on behalf of Appalachian Power Company, Indiana Michigan Power Company, Kentucky Power Company, Kingsport Power Company, Ohio Power Company, Wheeling Power Company, AEP Appalachian Transmission Company, Inc., AEP Indiana Michigan Transmission Company, Inc., AEP Kentucky Transmission Company, Inc., AEP Ohio Transmission Company, Inc., and AEP West Virginia Transmission Company, Inc.; AMP Transmission, LLC; City of Cleveland, Department of Public Utilities, Division of Cleveland Public Power; City of Hamilton, OH; Dominion Energy Services, Inc. on behalf of Virginia Electric and Power Company d/b/a Dominion Energy Virginia; Duke Energy Corporation on behalf of its affiliates Duke Energy Ohio, Inc., Duke Energy Kentucky, Inc., and Duke Energy Business Services LLC; Duquesne Light Company; East Kentucky Power Cooperative; Exelon Corporation, on behalf of Atlantic City Electric Company, Baltimore Gas and Electric Company, Commonwealth Edison Company, Commonwealth Edison Company of Indiana, Inc., Delmarva Power & Light Company, PECO Energy Company, and Potomac Electric Power Company; FirstEnergy Service Company, as agent for its affiliates American Transmission Systems, Incorporated, Jersey Central Power & Light Company, Mid-Atlantic Interstate Transmission LLC, Keystone Appalachian Transmission Company, The Potomac Edison Company, Monongahela Power Company and Trans-Allegheny Interstate Line Company; Old Dominion Electric Cooperative; PPL Electric Utilities Corporation; Rockland Electric Company; Southern Maryland Electric Cooperative, Inc.; UGI Utilities Inc; and Wabash Valley Power Association, Inc.

²⁸⁸ Industrial Customers include: the Industrial Energy Consumers of America, the American Forest & Paper Association, the PJM Industrial Customer Coalition, and the Coalition of MISO Transmission Customers

²⁸⁹ Invenergy includes: Invenergy Wind Development North America LLC, Invenergy Solar Development North America LLC, and Invenergy Thermal Development Holdings LLC.

ITC Holdings Corp. (ITC)
Jason Miller, on behalf of VEIR Inc.
Kansas Corporation Commission (Kansas Commission)
L. Lynne Kiesling
L.M. Marlowe
Land Trust Alliance
Large Public Power Council
Lauren Hopkins
LEAN Energy US
Load Flexibility Parties²⁹⁰
Long Island Power Authority
Longroad Energy Holdings, LLC (Longroad)
Louisiana Public Service Commission
LS Power Development, LLC (LS Power)
Maine Office of the Public Advocate (Maine Public Advocate)
Maryland Energy Administration
Maryland Public Service Commission
Maven Solutions
MCC Economics and Finance
Meta Platforms, Inc.
Michigan Attorney General Dana Nessel
Microsoft, Inc. (Microsoft)
Midcontinent Independent System Operator, Inc.
MISO Transmission Owners (MISO TOs)²⁹¹

²⁹⁰ Load Flexibility Parties include: Enerwise Global Technologies, LLC d/b/a CPower, Enel North America, Inc., and Voltus, Inc.

²⁹¹ MISO TOs include: Ameren Services Company, as agent for Union Electric Company d/b/a Ameren Missouri, Ameren Illinois Company d/b/a Ameren Illinois and Ameren Transmission Company of Illinois; American Transmission Company LLC; Big Rivers Electric Corporation; Central Minnesota Municipal Power Agency; Citizens Electric Corporation; City Water, Light & Power (Springfield, IL); Cleco Power LLC; Cooperative Energy; Dairyland Power Cooperative; Duke Energy Business Services, LLC for Duke Energy Indiana, LLC; East Texas Electric Cooperative; Entergy Arkansas, LLC; Entergy Louisiana, LLC; Entergy Mississippi, LLC; Entergy New Orleans, LLC; Entergy Texas, Inc.; Great River Energy; GridLiance Heartland LLC; Hoosier Energy Rural Electric Cooperative, Inc.; Indiana Municipal Power Agency; Indianapolis Power & Light Company d/b/a AES Indiana; Lafayette Utilities System; MidAmerican Energy Company; Minnesota Power (and its subsidiary Superior Water, L&P); Montana-Dakota Utilities Co.; Northern Indiana Public Service Company LLC; Northern States Power Company, a Minnesota corporation, and Northern States Power Company, a Wisconsin corporation, subsidiaries of Xcel Energy Inc.; Northwestern Wisconsin Electric

Mississippi Public Service Commission
 Missouri Public Service Commission
 Monitoring Analytics, LLC, acting in its capacity as the Independent Market Monitor for PJM
 Nathan Peterson
 National Association of Regulatory Utility Commissioners (NARUC)
 National Association of State Utility Consumer Advocates
 National Conference of State Legislatures (NCSL)
 National Congress of American Indians
 National Grid PLC (National Grid)²⁹²
 National Rural Electric Cooperative Association (NRECA)
 Nebraska Power Review Board (Nebraska Board)
 New England States Committee on Electricity
 New England Conference of Public Utility Commissioners (NESCOE)
 New England Consumer-Owned Systems²⁹³ (together with Energy New England, LLC, New England Consumer-Owned Systems)
 New England Public Systems²⁹⁴

Company; Otter Tail Power Company; Prairie Power, Inc.; Republic Transmission, LLC; Southern Illinois Power Cooperative; Southern Indiana Gas & Electric Company (d/b/a CenterPoint Energy Indiana South); Southern Minnesota Municipal Power Agency; Wabash Valley Power Association, Inc.; and Wolverine Power Supply Cooperative, Inc

²⁹² National Grid submitted comments behalf of its affiliates Niagara Mohawk Power Corporation; New England Power Company; New England Electric Transmission Corporation; New England Hydro-Transmission Corporation; New England Hydro-Transmission Electric Company, Inc.; and Massachusetts Electric Company.

²⁹³ New England Consumer-Owned Systems include: Belmont Municipal Light Department, Block Island Utility District, Braintree Electric Light Department, Concord Municipal Light Plant, Danvers Electric Division, Georgetown Municipal Light Department, Groveland Electric Light Department, Hingham Municipal Lighting Plant, Hudson Light & Power Department, Littleton Electric Light & Water Department, Merrimac Municipal Light Department, Middleborough Gas & Electric Department, Middleton Electric Light Department, North Attleborough Electric Department, Norwood Municipal Light Department, Clear River Electric & Water District, Rowley Municipal Lighting Plant, Stowe Electric Department, Taunton Municipal Lighting Plant, Town of Wallingford, Connecticut Department of Public Utilities Electric Division, Westfield Gas and Electric Light Department, and Mid-Coast Regional Redevelopment Authority.

²⁹⁴ New England Public Systems include: Connecticut Municipal Electric Cooperative, Massachusetts Municipal Wholesale Electric Company, and Vermont

New Mexico Public Regulation Commission (New Mexico Commission)
New York Independent System Operator, Inc.
New York State Department of State Utility Intervention Unit (NY UIU)
New York Public Service Commission
New York State Reliability Council
New York Transmission Owners²⁹⁵
North American Electric Reliability Corporation
North Carolina Utilities Commission
North Carolina Utilities Commission Public Staff
North Dakota Public Service Commission
Northeastern Rural Electric Membership Corporation
NRG Energy, Inc.
Office of the Illinois Attorney General (Illinois AG)
Office of the Ohio Consumers' Counsel (OCC)
Oklahoma Corporation Commission
Oklo Inc. (Oklo)
Old Dominion Electric Cooperative (ODEC)
Oncor Electric Delivery Company LLC
ON Energy Storage, Inc.
OpenAI Inc.
Oracle America, Inc. (Oracle)
Organization of MISO States, Inc. (OMS)
Organization of PJM States, Inc. (OPSI)
Paces AI Inc.
Pacific Gas & Electric Company
Paige Lambermont, on behalf of Competitive Enterprise Institute
Paul Statchen
Pennsylvania Office of Consumer Advocate
Pennsylvania Public Utility Commission
Pew Charitable Trusts Energy Modernization Project
PJM Interconnection, LLC
Power for Tomorrow
PPL Corporation²⁹⁶

Public Power Supply Authority.

²⁹⁵ New York Transmission Owners include: Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., New York Power Authority, New York State Electric & Gas Corporation, Niagara Mohawk Power Corp. (d/b/a National Grid), Orange and Rockland Utilities, Inc., Long Island Power Authority, and Rochester Gas and Electric Corporation.

²⁹⁶ PPL Corporation submitted comments on behalf of the PPL Companies, which

Prime Mover Institute
 PSEG Companies (PSEG)²⁹⁷
 Public Citizen, Inc.
 Public Interest Organizations (PIOs)²⁹⁸
 Public Utilities Commission of Ohio's Office of the Federal Energy Advocate (Ohio FEA)
 R Street Institute (R Street)
 Rewiring America
 MCC Economics Ltd.
 RWE Clean Energy, LLC
 Sarah McKinley
 Shell Energy North America (US), L.P.
 Sierra Club
 SMA Solar Technology AG
 Solar Energy Industries Association
 South Carolina Office of Regulatory Staff
 South Dakota Public Utilities Commission (South Dakota Commission)
 Southeast Public Interest Organizations (Southeast PIOs)²⁹⁹
 Southern California Edison Company (Southern California Edison)
 Southern Companies³⁰⁰
 Southern Maryland Electric Cooperative, Inc.
 Southwest Power Pool, Inc.

include PPL Electric Utilities Corporation, Louisville Gas & Electric Company and Kentucky Utilities, and The Narragansett Electric Company d/b/a Rhode Island Energy.

²⁹⁷ PSEG Companies include: Public Service and Gas Company, PSEG Power LLC, and PSEG Energy Resources & Trade LLC, which are each wholly-owned, direct or indirect subsidiaries of Public Service Enterprise Group Incorporated.

²⁹⁸ PIOs include: Clean Air Task Force, Inc., Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania, Earthjustice, Environmental Defense Fund, Montana Environmental Information Center, Natural Resources Defense Council, Sustainable FERC Project, Sierra Club, and Southern Environmental Law Center.

²⁹⁹ Southeast PIOs include: Southern Environmental Law Center, Appalachian Voices, North Carolina Sustainable Energy Association, South Carolina Coastal Conservation League, and Southern Alliance for Clean Energy.

³⁰⁰ Southern Companies include: Georgia Power Company, Alabama Power Company, and Mississippi Power Company.

Southwest Power Pool Transmission Owner Group³⁰¹
Splight Inc. (Splight)
State Entities³⁰²
Steel Manufacturers Association
Switch, Ltd. (Switch)
Talen Energy Corporation (Talen)
Terraflux LLC (Terraflux)
Tesla, Inc.
Texas Blockchain Council
Thermal Battery Alliance
Tract Holding Company I, LLC (Tract)
Transmission Access Policy Study Group (TAPS)
Tri-State Generation and Transmission Association, Inc. (Tri-State)
Travis Fisher, on behalf of Cato Institute
U.S. Chamber of Commerce (Chamber of Commerce)
U.S. Energy Storage Coalition
U.S. House of Representatives Committee on Energy and Commerce Ranking
Members³⁰³
U.S. Representatives³⁰⁴
U.S. Senate Committee on Energy and Natural Resources
U.S. Senators³⁰⁵

³⁰¹ Southwest Power Pool Transmission Owner Group includes: American Electric Power Service Corporation, Evergy Kansas Central, Inc., Evergy Metro, Inc., Evergy Missouri West, Inc., Oklahoma Gas and Electric Company, and Xcel Energy Services Inc., on behalf of Southwestern Public Service Company.

³⁰² State Entities include: Massachusetts Attorney General's Office, the Arizona Attorney General's Office, the Colorado Attorney General's Office, the Connecticut Office of Consumer Counsel, the Maryland Office of People's Counsel, the Minnesota Attorney General's Office, the Office of the Nevada Attorney General, Bureau of Consumer Protection, the New Hampshire Office of the Consumer Advocate, the Oregon Attorney General, and the Rhode Island Division of Public Utilities and Carriers.

³⁰³ Submitted by Frank Pallone, Jr. (Ranking Member) and Kathy Castor (Ranking Member, Subcommittee on Energy).

³⁰⁴ The U.S. Representatives that submitted comments include: Suhas Subramanyam, John W. Mannion, Mike Quigley, and Donald S. Beyer Jr.

³⁰⁵ The U.S. Senators that submitted comments include: Edward J. Markey, Chris Van Hollen, Elizabeth Warren, Peter Welch, Raphael Warnock, Richard Blumenthal, and

U.S. Senator Jon Ossoff
Union of Concerned Scientists (UCS)
Vantage Data Centers (Vantage)
Verrus
Virginia State Corporation Commission
Vistra Corp. (Vistra)
Washington Utilities and Transportation Commission
WIRES
Wisconsin Electric Company
Wisconsin Public Service Corporation

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

ISO New England Inc. Central Maine Power Company The Connecticut Light and Power Company Fitchburg Gas and Electric Light Company Green Mountain Power Corporation Maine Electric Power Company The Narragansett Electric Company New England Power Company New Hampshire Transmission, LLC NSTAR Electric Company Public Service Company of New Hampshire The United Illuminating Company Unitil Energy Systems, Inc. Vermont Electric Cooperative, Inc. Vermont Electric Power Company, Inc. Vermont Transco LLC Versant Power	Docket No.	EL26-72-000
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(Issued June 18, 2026)

SWETT, Chairman, *concurring*:

1. Today, we take historic action to push our country’s electric markets and economy into the future—a future of fair cost allocation, unprecedented transparency for the American ratepayer, respect for states’ rights, efficient markets and speed to power. Last October, Secretary Wright articulated the monumental, generational and “urgent” challenge FERC must solve for our country when he directed us to develop “reforms to ensure the timely and orderly interconnection of large loads to the transmission system.”¹ I strongly agree. And now, through this suite of six orders, we deliver.

2. Simply put, the show cause orders the Commission issues today to each of the six electric markets subject to its jurisdiction find that the status quo across much of the country is not good enough.² Nowhere close. The record prompted by the Secretary’s

¹ Advance notice of proposed rulemaking (ANOPR) *Interconnection of Large Loads to the Interstate Transmission System*, Advance Notice of Proposed Rulemaking (Oct. 23, 2025) (ANOPR); see Letter from Chris Wright, Sec’y, U.S. Dep’t of Energy (Oct. 23, 2025) (Secretary’s Letter).

² *Cal. Indep. Sys. Operator Corp.*, 195 FERC ¶ 61,214 (2026) (*CAISO*); *ISO New*

ANOPR leaves no doubt that most of the markets (and their existing rules) are inherently slow and prohibitive of the dexterity necessary to adapt to and power societal evolution—whether brought about by technological innovation or sustaining the great industrial economy that anchors America.

3. I wholeheartedly, fully concur with these orders, which we carefully crafted to execute upon the problems the Secretary identified in a manner that is quick, efficient, and legally durable. I write separately to highlight certain considerations underlying the Commission’s procedural approach to delivering on the ANOPR and to today’s orders.

4. Based on my analysis of the extensive record and numerous ongoing substantive stakeholder interactions, I have determined that the most productive way to “build upon the[] principles”³ in the ANOPR and “work expeditiously”⁴ towards a solution is to issue individualized orders to show cause to each market.⁵ That is so for two main reasons.

5. First, the record the Commission collected in response to the challenges identified in the ANOPR and subsequent resulting developments indicate that an approach that honors the ANOPR principles but accounts for widening regional variation may now be more efficient than a one-size-fits-all rule.⁶ The world has changed a great deal since last

Eng. Inc., 195 FERC ¶ 61,215 (2026) (*ISO-NE*); *Midcontinent Indep. Sys. Operator, Inc.*, 195 FERC ¶ 61,212 (2026) (*MISO*); *N.Y. Indep. Sys. Operator, Inc.*, 195 FERC ¶ 61,216 (2026) (*NYISO*); *PJM Interconnection, L.L.C.*, 195 FERC ¶ 61,211 (2026) (*PJM*); *Sw. Power Pool, Inc.*, 195 FERC ¶ 61,213 (2026) (*SPP*) (collectively, Orders to Show Cause).

³ Secretary’s Letter at 2.

⁴ *Id.*

⁵ See *SEC v. Chenery Corp.*, 332 U.S. 194, 202-03 (1947) (“[A]n administrative agency must be equipped to act either by general rule or individual order. To insist upon one form of action to the exclusion of the other is to exalt form over necessity. . . . [T]he choice made between proceeding by general rule or by individual, *ad hoc* litigation is one that lies primarily in the informed discretion of the administrative agency.”); *Wis. Gas Co. v. FERC*, 770 F.2d 1144, 1166 (D.C. Cir. 1985) (“It is a well-settled principle of administrative law that the decision whether to proceed by rulemaking or adjudication lies within the broad discretion of the agency.”).

⁶ “[T]he Commission may rely on ‘generic’ or ‘general’ findings of a systemic problem to support imposition of an industry-wide solution.” *Interstate Nat. Gas Ass’n of Am. v. FERC*, 285 F.3d 18, 37 (D.C. Cir. 2002) (internal citations omitted). However, the Commission “has long allowed different regional transmission organizations to follow different rules, in recognition of regional variations including potential differences

October. The ANOPR itself, including the articulated principles, appears to have shifted the playing field and prompted great progress across several electric markets. This change (and the Commission's alignment with the Secretary) is well illustrated by a number of landmark orders approving several market new constructs that we issued since October, which together operationalize the Secretary's principles and laid groundwork for meaningful reform and today's actions.⁷ While working to develop those orders, the Commission has simultaneously devoted significant attention to evaluating the various procedural paths through which we might comprehensively deliver.

6. Individual show cause proceedings will allow the Commission to ensure that solutions to the problems the Secretary identified are tailored to the specific, varied circumstances and market constructs of each region. Indeed, a careful review of today's six orders reveals the many ways in which those orders are customized for each market's unique circumstances and progress (or lack thereof) towards serving large load. To name just a few examples, the orders recognize ongoing stakeholder processes in various regions and are adapted to existing tariff provisions concerning large and co-located loads; account for regional variances in allocating rights and responsibilities among RTOs/ISOs and the transmission owners; leave room for each market to tailor operational requirements for large loads that are particular to their region; and otherwise account for incumbent regional differences on topics such as cost allocation and cost transparency, study processes, and network upgrade procedures.

7. Proceeding via show cause proceedings will also allow the markets (and their respective transmission owners) to explain, in the first instance, how to address the Commission's concerns. These entities have the deepest understanding of their respective regions and are best positioned to implement solutions we identified, in the most expeditious manner. The Commission will promptly evaluate their responses to today's orders, and, with input from stakeholders, swiftly establish appropriate reforms.

8. Second, proceeding via individual show cause orders will allow the Commission to act more quickly than through traditional rulemaking. Notice-and-comment rulemaking may not capitalize upon individual market progress prompted since October and would be unduly time-consuming,⁸ as it also inevitably would require the additional steps of accommodating the regional variations of the approach we take today. Rulemaking efforts can be particularly inefficient when, as here, they risk incubating

in 'geographic size and location.'" *Cent. Hudson Gas & Elec. Corp. v. FERC*, 138 F.4th 531, 539 (D.C. Cir. 2025) (internal citations omitted).

⁷ See *id.* P 2 & nn.6-11.

⁸ See, e.g., Comments of Talen Energy Corporation, Docket No. RM26-4, at 5-6 (filed Nov. 21, 2025).

uncertainty after progress has begun, and diverting scarce stakeholder resources away from other endeavors, such as the development of market-specific reforms submitted to the Commission under section 205 of the Federal Power Act (FPA). (To be clear, we very much encourage 205 submissions encapsulating the principles we articulate in the 206s, and with all due deliberate haste.)

9. Furthermore, rulemaking requires a lengthy series of steps before the proposed reforms would actually take effect—e.g., a NOPR, then a final rule, then potential orders on rehearing, and then a “compliance” process in which affected parties make filings (or, more likely, multiple rounds of filings) explaining how they intend to implement the rule. By their nature, these procedures take time. For example, the compliance process for the Commission’s Order No. 2023⁹ (which matured out of an ANOPR issued in July 2021 and a NOPR issued in June 2022) still is not fully complete as of June 2026. The compliance process for Order No. 2222¹⁰ (NOPR issued in November 2016) could be considered completed in May 2026; however, even with that timing, not all of the RTO/ISOs have yet fully implemented their Commission-accepted market rules. I provide these examples not to suggest that the completion of a rulemaking process on the interconnection of large loads would take this long,¹¹ but rather to make clear the scope of the years-long delays in implementation that might be expected if the Commission elected to proceed via a NOPR. By contrast, we expect that individual show cause proceedings for each of the RTO/ISOs will enable the Commission to spearhead lasting reform much more expeditiously.

10. The six markets together cover nearly two-thirds of load subject to Commission-jurisdictional rates, and therefore focusing initially on those regions is a prudent first step. But I am under no illusion that the challenges discussed in today’s orders are somehow

⁹ *Improvements to Generator Interconnection Procs. & Agreements*, Order No. 2023, 184 FERC ¶ 61,054, *order on reh’g*, 185 FERC ¶ 61,063 (2023), *order on reh’g*, Order No. 2023-A, 186 FERC ¶ 61,199, *errata notice*, 188 FERC ¶ 61,134 (2024).

¹⁰ *Participation of Distributed Energy Res. Aggregations in Mkts. Operated by Reg’l Transmission Orgs. & Indep. Sys. Operators*, Order No. 2222, 172 FERC ¶ 61,247 (2020), *order on reh’g*, Order No. 2222-A, 174 FERC ¶ 61,197, *order on reh’g*, Order No. 2222-B, 175 FERC ¶ 61,227 (2021).

¹¹ I do not mean to suggest that the public utilities subject to compliance under these rulemakings—or the Commission itself—have been derelict. The time-consuming nature of the compliance process is a natural consequence of complex, nuanced efforts toward tariff reform. As Chairman, I will continue to evaluate Commission directives to ensure that obligations on regulated entities are not unduly burdensome and to make certain that Commission action during the compliance process is as timely as possible.

unique to the RTO/ISO regions. Our actions today do not foreclose the possibility of a future rulemaking, and nor do they prevent us from acting on filings made under sections 205 and 206 of the FPA. I encourage transmission providers and other stakeholders outside RTO/ISO regions to make individual filings to address the issues we discuss today.

11. FERC is no longer the sleepy, responsive agency of the past—our country cannot afford for it to be. This is a time for the best thinkers we have to collaborate on solving our biggest problems, and thus it is my great honor to deliver a solution that honors the Secretary’s goals. For these reasons, I respectfully concur.

Laura V. Swett
Chairman

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

ISO New England Inc.
Central Maine Power Company
The Connecticut Light and Power Company
Fitchburg Gas and Electric Light Company
Green Mountain Power Corporation
Maine Electric Power Company
The Narragansett Electric Company
New England Power Company
New Hampshire Transmission, LLC
NSTAR Electric Company
Public Service Company of New Hampshire
The United Illuminating Company
Unitil Energy Systems, Inc.
Vermont Electric Cooperative, Inc.
Vermont Electric Power Company, Inc.
Vermont Transco LLC
Versant Power

Docket No. EL26-72-000

(Issued June 18, 2026)

ROSNER, Commissioner, *concurring*:

1. The electric industry is in the midst of changes not seen in a generation. Compared to more traditional load growth, the large loads seeking to connect to the grid today are larger, sometimes by orders of magnitude, and more concentrated. They also exhibit different operational characteristics, such as the ability to quickly change their energy consumption, sometimes in seconds. Often, these large loads seek to connect to the grid as quickly as possible. And because of these dynamics, large loads are rapidly driving the need for new transmission infrastructure and energy supply. This creates new challenges that, if unaddressed, could jeopardize the reliability and affordability of the grid on which we all depend.
2. Today, we are taking an important step toward addressing these challenges. We are opening a dialogue with each of the six RTO/ISOs on a series of reforms that are tailored to address the unique reliability and affordability challenges posed by large load growth and the infrastructure buildout needed to serve dramatically growing demand. Informed by the record developed in response to the Secretary of Energy's October 2025

ANOPR,¹ and by innovative proposals that stakeholders have filed with the Commission under FPA section 205, today's orders are aimed at ensuring that the grid remains reliable and affordable for *all* customers, especially residential customers. It is also crucial that we unlock the immense economic opportunity that once-in-a-generation growth represents. While each order's specific focus varies according to the progress that each RTO/ISO has made, our actions today fit broadly into four key pillars that, taken together, provide a foundation for durable reform. Today, we are: (1) Protecting Consumers, (2) Safeguarding Reliability, (3) Enhancing Transparency, and (4) Fostering Innovation (*see Figure 1*). I write separately to explain how.

3. **Protecting Consumers:** Today's orders include key protections that promote affordability. First, today's orders require "Cost Recovery Agreements", which are designed to ensure that large loads pay their fair share of the costs incurred to serve them, regardless of whether the large load comes online as planned. Thus, if new infrastructure is built to accommodate a data center, and that data center doesn't show up, residential customers are not left on the hook to pay the costs. Cost Recovery Agreements prevent those costs from being shifted to residential customers. Depending on how they are structured, Cost Recovery Agreements can also address the potentially uneven pacing of new infrastructure costs, where grid upgrade costs may hit customer bills *before* the large load is fully online and energized. Data centers have committed to paying their own way.² Today, with "Cost Recovery Agreements," we are taking steps to ensure that those commitments are honored. I note, however, that the door remains open to other creative, regionally-specific ideas to protect consumers. If there are other ways to accomplish that goal, I welcome those proposals.

4. Another win for consumers is requiring RTO/ISOs to consider grid enhancing technologies (GETs), including dynamic line ratings, when adding new large loads to the grid. GETs are technologies that squeeze more juice out of the existing grid, reducing the need for expensive upgrades and speeding up the time connect. Ensuring that RTO/ISOs consider GETs in the planning process—and if GETs are not used, explain why—not only helps new large loads get connected more quickly, but is also a commonsense step towards saving *all* consumers money. Put differently, today's orders will help us understand if we are leaving efficiencies on the table, an outcome we cannot afford.

¹ U.S. Dep't of Energy, Secretary of Energy Chris Wright, Direction that the Commission Initiate Rulemaking Procedures and Proposal Regarding the Interconnection of Large Loads Pursuant to the Secretary's Authority Under Section 403 of the Department of Energy Organization Act (Oct. 23, 2025).

² See Proclamation No. 11014, 91 Fed. Reg. 11439 (Mar. 4, 2026).

5. **Safeguarding Reliability:** Today’s orders safeguard reliability. They help ensure that RTO/ISOs use study procedures and operational requirements that reflect large loads’ unique characteristics and the reliability impacts of connecting them to the grid. Those novel characteristics and reliability impacts are well-documented, and it is not clear if existing study procedures or operational requirements account for them. Clear, comprehensive, and specifically tailored study procedures and operational requirements are needed, such as enhanced data reporting and telemetry to increase visibility into how these loads interact with the grid, and today’s orders represent progress towards this goal.

6. Finally, although not part of today’s orders, I want to highlight NERC’s ongoing efforts to establish registration criteria for large computational loads and to develop reliability standards.³ NERC’s goal is to finish the first phase of this critical work this year. It is essential that NERC meet this deadline. I encourage all stakeholders to participate in NERC’s process.

7. **Enhancing Transparency:** Today’s orders provide regulators—the Commission and, critically, our state partners—and customers with data on how connecting large loads to the grid affects bills. Today’s orders embody a commonsense approach: if a Network Upgrade is built to connect a large load to the grid, consumers should know who that upgrade was built for and what it cost.

8. Transparency is important because “who pays?” has been and continues to be a fraught and contentious question for large load interconnection. Stakeholders, including state regulators and the ratepayers that they represent, must know the costs, for whom they are being incurred, and how they are being allocated, to know that everyone is paying their fair share. Today’s orders ensure that this information is public, accessible, and clear. State regulators in more than half of the country have enacted large load tariffs.⁴ Our action today helps them as they continue their critically important work.

9. The Commission’s action today also addresses speculative load interconnection requests, which clog up load interconnection queues, divert resources, and distort forecasts. Under current rules, data centers can (and are incentivized to) “shop around” their prospective projects with different utilities to identify the fastest and cheapest location to connect. This wastes time and resources studying projects that are not real. Worse yet, it can inflate expected load growth by modeling projects that do not

³ NERC, *Large Loads Action Plan Q1 2026 Update* (Apr. 2026), <https://www.nerc.com/globalassets/initiatives/large-loads-action-plan/llap-quarterly-update-q1-2026.pdf>.

⁴ See, e.g., National Association of Regulatory Utility Commissioners Supplemental Comments at 2-6; Edison Electric Institute Supplemental Comments at App. 9-13.

materialize, leading to double counting, inaccurate market signals, and unnecessarily high prices for consumers. Today, we target speculative projects by establishing escalating readiness requirements for distinct phases of the study process to deter duplicative or speculative requests for transmission service. I strongly encourage RTO/ISOs to pursue other improvements to load forecasts, such as using objective screening criteria like physical site control, to ensure that the data used to plan the grid is as accurate as possible.⁵

10. **Fostering Innovation:** As I have said, to meet the moment, “a business-as-usual approach . . . will not suffice.”⁶ Building new infrastructure is difficult and costly, which delays efforts to connect large loads to the grid quickly, reliably, and cost effectively. This is doubly true when generation and load are planned and studied separately. Today’s orders push beyond this status quo.

11. First, today’s orders promote flexible transmission services—that is, non-firm service to a co-located load that is willing and able to limit withdrawals from the grid—in every RTO/ISO (*see Figure 2*). As we explained when we first created these transmission services in PJM for co-located loads, customers willing to embrace flexibility can reduce the need for Network Upgrades and generating capacity to serve a co-located load, which speeds up connecting to the grid *and* reduces costs for the co-located load *as well as* other retail customers.

12. Second, today’s orders recognize that extending these same transmission services to large loads that are *not* co-located but that may also be willing to limit their withdrawals from the grid can unlock even more efficiency. Just as for co-located loads, legalizing flexible transmission service options for more large load customers can speed interconnection, avoid constructing unnecessary transmission upgrades, reduce strain on the grid, and make power bills cheaper for everyone.

13. Finally, today’s orders embrace yet another innovation. Load and generation need not be co-located to reduce the number of Network Upgrades; in other words, literal co-location is not the only way to facilitate faster, more efficient, and more cost-effective connections to the grid. Rather, where a large load and an associated generator are *electrically proximate* (i.e., close together) *and studied together*, the reliability impacts on the grid may be more limited than if the load and generator are studied separately. Just like with co-location, more limited impacts on the grid mean, all else equal, fewer

⁵ See Comm’r David Rosner, *Letter to the RTOs/ISOs on Large Load Forecasting* (Sept. 18, 2025), <https://www.ferc.gov/news-events/news/chairman-rosners-letter-rtosis-large-load-forecasting>.

⁶ *PJM Interconnection, L.L.C.*, 193 FERC ¶ 61,217 (2026), (Rosner, Comm’r, concurring) at P 3.

Network Upgrades, which makes connecting to the grid faster, more efficient, and cheaper for both the large load *and the associated generator*. That last point is key. To add new supply to the grid, we must create incentives for “Bring Your Own *New Generation*.” Today’s orders make BYONG faster and more efficient.

14. SPP has been a leader in showing how to push beyond the status quo. With its innovative HILLGA proposal, approved by the Commission in January,⁷ SPP leveraged the opportunity for speed and efficiency by studying load and generation together, and by creating a limited, expedited interconnection service to connect faster. By matching the generator’s output to the electrically proximate large load’s demand, the impacts to the grid are less than they otherwise would be, minimizing the need for time-consuming and costly Network Upgrades needed to connect. HILLGA is one solution that works for SPP, but today’s orders direct other regions to follow SPP’s lead in ways that work for them. Today’s orders add a key tool by ensuring that all RTO/ISOs can study load and generation together.

15. The Commission’s action today is an important step forward, but the Commission cannot accomplish this work alone. States are essential partners in this work. The Commission’s actions here respect the long-standing jurisdictional line between federal and state authority provided by Congress and repeatedly affirmed by the Supreme Court. States retain exclusive jurisdiction to allocate the costs of FERC-jurisdictional transmission charges among their retail ratepayers, including co-located loads. States also hold the keys to energy infrastructure permits, so we rely on their decisions to ensure that needed transmission and generation get built. At a time when some large loads are retail customers that can consume as much energy as a small city, it is imperative that we work within our respective jurisdictions, but that we collaborate. I look forward to continued collaboration.

16. Today’s orders *begin* an important dialogue with RTO/ISOs. As a potential next step, today’s orders invite RTO/ISOs to respond by submitting proposals under FPA section 205. I cannot encourage this enough. I also encourage public utilities outside of RTO/ISOs across the country to do the same. The electric industry is rapidly evolving with regions experiencing and addressing these challenges in different ways. Many of the examples on which the actions in today’s orders are based on stakeholders thinking creatively to develop solutions, and I welcome other new, innovative, and regionally tailored proposals that build on the four key pillars set forth today: (1) Protecting Consumers, (2) Safeguarding Reliability, (3) Enhancing Transparency, and (4) Fostering Innovation. Only by working together can we rise to the occasion and meet this once-in-

⁷ See *Sw. Power Pool, Inc.*, 194 FERC ¶ 61,031 (2026).

a-generation moment to deliver the reliable and affordable energy on which we all depend. It will not be easy, but I remain optimistic and look forward to the path ahead.


For these reasons, I respectfully concur.

David Rosner
Commissioner

Figure 1


Four Pillars – FERC’s Response to the Large Load ANOPR

Protect Consumers




- Prevent cost-shifting with mandatory contracts
- Reduce infrastructure costs with smarter studies
- Boost efficiency with Grid Enhancing Technologies

Enhance Transparency





- Provide transparency in transmission costs
- Improve load forecasting practices
- Increase disclosure of utility investments

Safeguard Reliability



- Establish new large load impact studies
- Accelerate interconnection for system stability
- Continue NERC standards development process

Foster Innovation

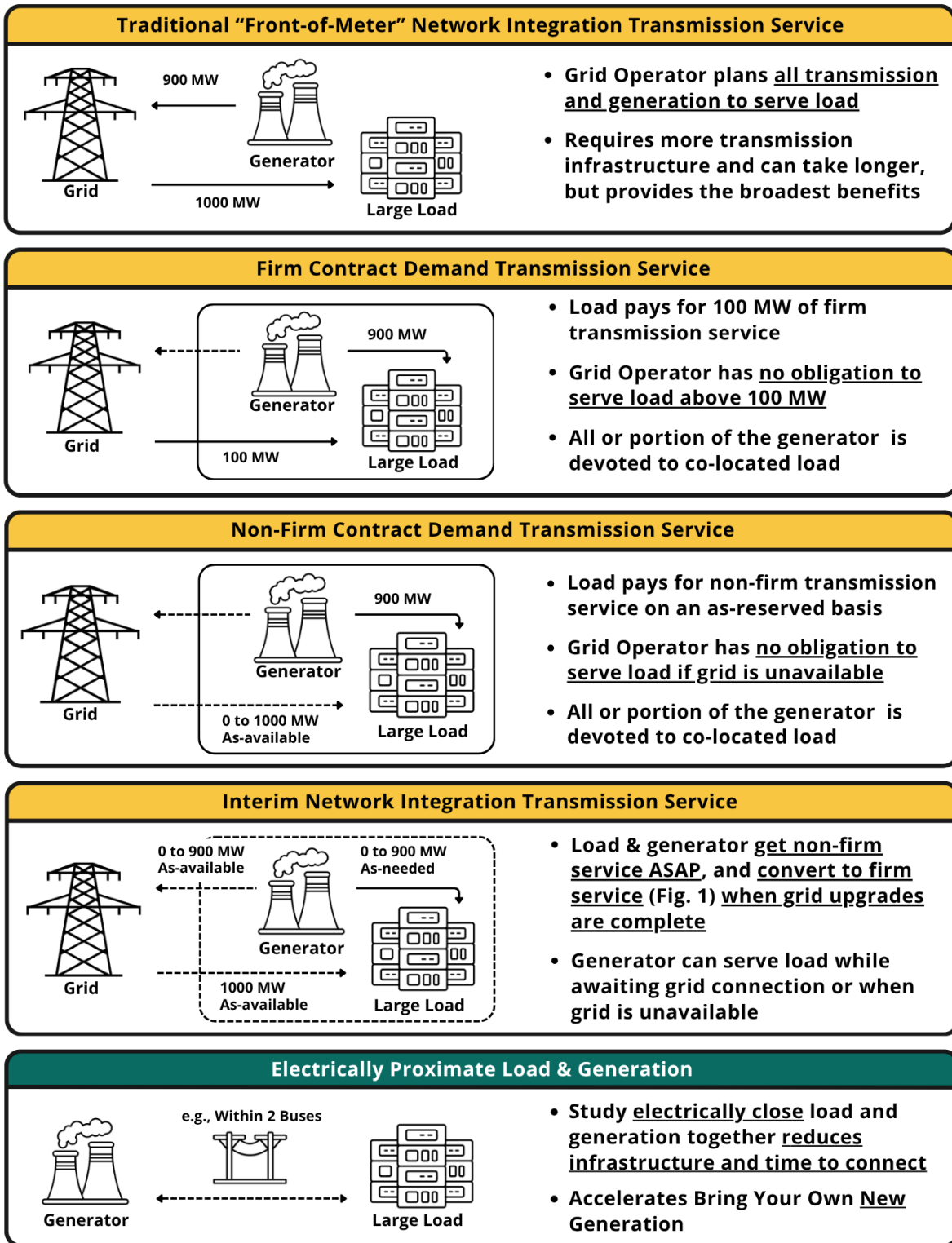


- Accelerate co-located and proximate loads
- Leverage advanced load flexibility
- Complete studies faster (60 to 90 days)



Figure 2

Large Load Interconnection: Transmission & Interconnection Service Innovation



UNITED STATES OF AMERICA
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ISO New England Inc.
Central Maine Power Company
The Connecticut Light and Power Company
Fitchburg Gas and Electric Light Company
Green Mountain Power Corporation
Maine Electric Power Company
The Narragansett Electric Company
New England Power Company
New Hampshire Transmission, LLC
NSTAR Electric Company
Public Service Company of New Hampshire
The United Illuminating Company
Unitil Energy Systems, Inc.
Vermont Electric Cooperative, Inc.
Vermont Electric Power Company, Inc.
Vermont Transco LLC
Versant Power

Docket No. EL26-72-000

(Issued June 18, 2026)

SEE, Commissioner, *concurring*:

1. Growing electricity demand underscores America's economic strength and the opportunities that come with it. And with new opportunities come new challenges. The pace and scale of emerging large loads create new circumstances that require us to adapt in how we build and manage the grid. Large and flexible loads can materially change system operations, for instance, as well as near-term planning needs, upgrade requirements, and how we allocate costs. Most existing systems were not designed to accommodate those changes—especially not at the pace needed to support AI growth and advanced manufacturing that are central to America's economic competitiveness. As a result, uncertainty over the operative rules and delays in interconnecting large loads can undermine reliability and investment and add unacceptable and avoidable costs.

2. Today, the Commission takes strong action within our jurisdictional sweep to address these and other challenges that large load growth poses to the interstate transmission system. Today's orders support both just and reasonable rates and speed to (reliable) power. I'm deeply grateful for the many commenters who shared their insight and ideas in this action. They let us build a record that highlights the need for clearer processes, better information, and faster analysis while our country moves new large load

additions online. As we press forward in these dockets, I will be looking to continue building on the momentum already underway across the country to craft more practical, region-specific solutions that support timely action while protecting consumers. Our continued ability to deliver reliable and affordable electricity requires nothing less.

3. Today's orders speak for themselves. I write separately to briefly highlight two principles baked throughout them and that I believe must remain central as the Commission evaluates further steps.

4. First, these issues extend beyond the Commission. Creating efficient, predictable large load interconnection processes is a joint and overlapping task for us, other federal agencies, the States, and the RTOs/ISOs and utilities. My animating principle here is that we must use FERC's statutory authority to bring clarity to the parts of this national issue we own, and to complement and aid others as they tackle theirs. The very procedure the Commission deploys today reflects that goal: Recognizing the value in region-specific approaches, we are directing individual action in each of the RTO/ISO regions and encouraging—strongly—proposals under section 205 of the Federal Power Act from transmission providers or other entities that are molded to their unique system needs.

5. Most critically, exercising our authority fully without hamstringing our regulatory and industry partners means respecting the States. States make many of the key decisions that affect how we manage large loads. States bring indispensable expertise over local conditions, siting needs, retail structures, and the resource decisions within their borders. And they have been hard at work pursuing the retail implications and other State-specific concerns that large load interconnection presents.¹ All this effort flows from the States' statutorily preserved role in regulating the power system. Today's order understands that limit—our power “extend[s] only to those matters which are not subject to regulation by the States.”² It also embraces the value in a statutory lens that views large load issues as an area of shared federal-State responsibility. As we require clear study and operational parameters for large load interconnection, we should remember that the nation's energy landscape is not monolithic. State and regional diversity is a strength, and today's orders know that the best solutions reflect differing system characteristics. Our action today is designed to support further State efforts in this urgent and fast-moving space, not override them.

6. Second, affordability must be at the forefront as we protect consumers from unnecessary costs in a time of rising demand. True, the Commission lacks authority over all the factors that drive electricity costs at the retail level. Today's orders recognize that.

¹ See EEI Supplemental Comments at Appendix 9 – 13 (listing pending and approved State large load tariffs).

² 16 U.S.C. § 824(a).

In response, the orders strive to aid the States in their front-line affordability duties by getting into their hands all relevant information about Commission-jurisdictional costs. As these matters move forward, I am particularly interested in continued feedback from the States on what information they most need to assess cost implications as new loads come online. Are the cost transparency measures we identify today sufficient, or are additional or more granular data needed for States to appropriately suballocate transmission costs among retail customers? Tools like alternative cost allocation structures, greater clarity in transmission service agreements, accounting for States' large-load-specific tariffs, and direct assignment in appropriate cases may help States ensure that retail consumers do not bear costs incommensurate with the benefits they receive.

7. Moving to areas where the Commission has a more direct role in ensuring cost responsibility, we need to pull all the levers we have to keep rates fair and transparent. Today we reaffirm our responsibility to assign jurisdictional costs to the customers who drive or benefit from grid upgrades, not shift them onto families and small businesses. For instance, today's orders seek to reduce large-load driven network upgrade costs through alternative transmission technologies, or ATTs (also commonly called Grid Enhancing Technologies). In determining how best to meet the needs of this historic large load growth, technologies that can improve system capability faster than traditional upgrades and at lower costs deserve a hard look. ATTs may not be the best tool in every circumstance, but where they are they can support timely interconnections and avoid potentially tens or hundreds of millions of dollars in unnecessary network upgrade costs that would otherwise flow into transmission customers' bills.

8. So our approach today supports continuing the Commission's policy to roll most network upgrade costs—including those in the large load space—into the embedded-cost rate most transmission customers pay. But it includes an asterisk that this policy works for ratepayers only so long as we remain committed to pursuing technological innovations that keep those costs at a responsible and accountable level. Today's order thus calls for transmission providers to sufficiently evaluate ATTs to assess if and how they can meet large loads' interconnection needs. The answer may be yes or no in a given case. But if the transmission provider opts for traditional network upgrades, they must *demonstrate* why ATTs are not feasible or would not result in lower costs or a faster timeline for the large load interconnection customer. In short, the goal is to respect transmission providers' engineering judgments while protecting against upgrade costs when ATTs could solve transmission needs faster and with a lower bill.

9. I am also sensitive to novel questions about cost shifting that interconnecting large load may present. Today's findings on cost recovery agreements between transmission owners and Eligible Customers are an important step in mitigating the risks of stranded assets if large loads prove speculative. We are also reducing unnecessary redundancy by allowing an Eligible Customer to meet its financial security requirements by relying on

credit support or other financial security a large load customer may have posted under a retail agreement. As we gain more experience studying transmission service requests on behalf of large loads, it may become appropriate to further streamline financial security arrangements. Perhaps, for instance, cost-recovery agreements between a transmission owner and a large load customer itself could satisfy an Eligible Customer's financial security requirements. As we move forward, I'll be looking to ensure cost-recovery agreements contain fair and transparent measures to ensure the right costs get on the right bills. (Relatedly, the discussion about the full nature of transmission-related charges in our concurrent PJM Order on Rehearing, Clarification, Compliance, and Paper Hearing³ may prove relevant here: Real-world experience with new transmission services for co-located load may clarify if future action becomes needed to address potential cost shifts as Eligible Customers take new transmission services on behalf of large loads.⁴)

10. More generally, as we gain more experience as an industry and a country in getting large loads connected to the grid, I welcome bold proposals to keep affordability central. Large load growth presents a real opportunity to build a stronger, more capable, and more reliable electric system that can benefit all ratepayers. Meeting that opportunity at the pace we need and at an acceptable cost requires innovative thinking and fast action. I commend the States in their continued work in these areas. I urge the RTOs and ISOs to continue their good work as they respond quickly to today's orders. I also remain committed to moving forward within the Commission's statutory zone with clarity and decisiveness. I am proud to support the Commission's important steps today. And we all have more work ahead.

For these reasons, I respectfully concur.



Lindsay S. See
Commissioner

³ *PJM Interconnection, L.L.C.*, 195 FERC ¶ 61,209 (2026).

⁴ *See id.* P 456.

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

ISO New England Inc.
Central Maine Power Company
The Connecticut Light and Power Company
Fitchburg Gas and Electric Light Company
Green Mountain Power Corporation
Maine Electric Power Company
The Narragansett Electric Company
New England Power Company
New Hampshire Transmission, LLC
NSTAR Electric Company
Public Service Company of New Hampshire
The United Illuminating Company
Unitil Energy Systems, Inc.
Vermont Electric Cooperative, Inc.
Vermont Electric Power Company, Inc.
Vermont Transco LLC
Versant Power

Docket No. EL26-72-000

(Issued June 18, 2026)

CHANG, Commissioner, *concurring*:

1. In a series of orders today, the Commission initiates separate proceedings under Federal Power Act (FPA) section 206 to explore the impact of the increasing growth of large loads in Regional Transmission Organization (RTO) and Independent System Operator (ISO) regions. The preliminary findings in these orders, and the associated proposed reforms to RTO/ISO and transmission owner tariffs, could significantly change how loads procure, use, and pay for transmission service, with ramifications for RTO/ISO operations, planning, and markets. I write separately to emphasize the importance of building actionable records in these proceedings, particularly with respect to our consideration of customer protection, transmission service, and alternative transmission technology reforms.

I. Overview of Today's Orders

2. In each of today's orders to show cause, the Commission identifies a series of issues raised by the ongoing growth of large loads, directs briefing on whether existing tariffs remain just and reasonable in light of those developments, and describes possible solutions to those issues if the Commission ultimately concludes that the relevant tariffs

are unjust and unreasonable. Each order is directed to a specific RTO/ISO and relevant transmission owners that play a role in interconnecting large loads to the Commission-jurisdictional transmission system. The Commission does not pursue the broad assertion of jurisdictional authority contemplated in the Advanced Notice of Proposed Rulemaking, which I hope assuages concerns raised by our state colleagues that the Commission ought not encroach upon matters properly left to their jurisdiction.¹

3. Broadly summarized, each order seeks regional input on a specific list of issues: (1) the clarity and consistency of existing rules governing how each RTO/ISO and its relevant transmission owners analyze the impact of providing transmission service to Eligible Customers on behalf of large loads; (2) whether each RTO/ISO tariff requires reforms to mitigate the risk of cost shifting among wholesale transmission customers; (3) whether each RTO/ISO tariff (other than PJM) requires additional clarity regarding the provisions addressing co-located generation and load arrangements; (4) the potential extension of new firm and non-firm transmission services to co-located load, load with behind the meter generation, and other flexible loads; and (5) the need for reforms, modeled on Southwest Power Pool, Inc.'s High Impact Large Load Generation Assessment concept, to facilitate a process through which a generator may temporarily serve a co-located or electrically proximate load until interconnection and transmission service is available. The Commission also invites each region to submit FPA section 205 filings that can address each issue identified in the orders, thereby resolving the Commission's concerns.

II. The Commission Needs Good Records to Ensure Reasoned Decision-Making

4. I first want to emphasize that the Commission needs active participation from interested stakeholders to develop thorough records in each region. The Commission cannot make reasoned decisions about whether reforms might be needed without an accurate understanding of the existing processes, which differ by region. Because the Commission is acting via FPA section 206 rather than generically through a rulemaking, the issues addressed by these orders will be subject to *ex parte* restrictions across the RTOs/ISO regions, including with our state colleagues whose regulation can and will directly affect the individual transmission owners that need to comply with the orders issued today. This will limit the Commission's ability to engage in informal fact-finding

¹ I will do my part to ensure that the Commission continues to be a collaborative partner to our state counterparts, other federal agencies, and the industry as we seek to address this wide-ranging challenge. Accordingly, I welcome feedback from our state colleagues and others if they believe the Commission's preliminary findings raise jurisdictional concerns.

and discussions with regional stakeholders, and thus, it is even more essential that the record in each region fully reflects the views of all interested parties.

5. Second, I highlight three issues below that will be especially important to the success of this effort, and I hope that interested parties will take particular care in helping the Commission address those issues. Importantly, I recognize that the record established in each RTO/ISO region will (and should) differ, which will allow the Commission to ensure any required changes to an RTO/ISO's tariff are appropriately tailored to that region's needs.

III. The Commission Needs to Pursue Meaningful Customer Protection

6. The FPA is fundamentally a customer protection statute,² and the Commission has an obligation to ensure that the rates that wholesale and transmission customers pay are just and reasonable. Rapid large load growth has strained planning and resource procurement processes around the country, as transmission owners, load serving entities, and generators accelerate the building of new infrastructure needed to serve these new loads. As we develop the new infrastructure, many have raised concerns about whether these costs are being fairly assigned to new and existing customers, whose benefits must be commensurate with the costs they pay. While individual states have been exploring or using various approaches to protect *retail* customers against unjustified cost shifts, the Commission to date has not initiated any proactive exploration of how to protect *wholesale* customers against unjustified cost shifts. I am laser-focused on this issue because we should not create unjustified costs for consumers in our efforts to connect and serve large loads.

7. In today's orders, the Commission launches an inquiry into whether existing RTO/ISO tariffs include adequate mechanisms to mitigate the risk of undue cost shifting among transmission customers. To address this risk, the Commission preliminarily identifies a two-part solution: (1) that each RTO/ISO post public information about the amount of new large loads seeking to connect to the RTO's/ISO's transmission system, any Network Upgrades identified in the local transmission planning process to serve those loads, and the costs of those Network Upgrades; and (2) that each RTO/ISO adopt a *pro forma* cost recovery agreement to help ensure that Eligible Customers serving large loads bear the risk and are ultimately responsible for costs incurred to provide transmission service. I strongly support this effort to provide additional transparency regarding jurisdictional transmission service requests and the costs associated with providing transmission service to the requesting parties, as the Commission cannot

² See, e.g., *Mun. Light Bds. Of Reading and Wakefield v. FPC*, 450 F.2d 1341, 1348 (D.C. Cir. 1971) (stating that the FPA's "primary aim is the protection of consumers from excessive rates and charges").

effectively execute its statutory responsibilities without sufficient understanding of the costs that feed into jurisdictional rates.

8. Exploring how agreements between transmission owners and Eligible Customers can protect *wholesale* customers against cost shifts is important. However, as I have previously explained, bilateral agreements that simply provide transmission revenue contributions untethered from any assessment of the actual cost of providing transmission service induced by individual large loads may be insufficient to adequately protect other customers against unjustified cost shifts.³ It is therefore important that the resulting regulatory and rate design are not limited to a pre-defined solution set, and that parties provide the Commission with comprehensive records outlining various and innovative approaches to protect customers. I am encouraged by the continued development of the ANOPR record on this subject,⁴ innovative solutions being developed at the state level,⁵ and a growing body of thoughtful analyses and proposed approaches to provide customer protection for costs driven by large load growth.⁶ Without prejudging any particular proposed solution, the Commission needs a robust record in each docket and each region to ensure we establish the right cost shift protections for wholesale customers, including but not limited to the commitments outlined in the Ratepayer Protection Pledge.⁷

³ *E.g.*, *PECO Energy Co.*, 193 FERC ¶ 61,148 (2025) (Comm'r Chang, *concurring*); *Commonwealth Edison Co.*, 194 FERC ¶ 61,109 (2026) (Comm'r Chang, *concurring*).

⁴ *E.g.*, *Interconnection of Large Loads to the Interstate Trans. Sys.*, Supplemental Comments of FirstEnergy Svc. Co., Docket No. RM26-4-000 (filed June 5, 2026); *id.*, Comment of the Harvard Electricity Law Initiative, Docket No. RM26-4-000 (Apr. 15, 2026); *id.*, Supplemental Comments of WIRES, Docket No. RM26-4-000 (Mar. 30, 2026).

⁵ *E.g.*, Utility Dive, *Microsoft seeks Nevada tariff to shield ratepayers from data center costs* (June 8, 2026), available at <https://www.utilitydive.com/news/microsoft-seeks-nevada-tariff-to-shield-ratepayers-from-data-center-costs/822250/>.

⁶ *E.g.*, Travis Kavulla, *How Will Data Centers Pay for Power?*, American Affairs (May 2026), available at <https://americanaffairsjournal.org/2026/05/how-will-data-centers-pay-for-power/>; Electricity Customer Alliance, *A Customer-Centric Agenda for the Federal Energy Reg. Comm'n* (Jan. 2026), available at <https://lnkd.in/em-apfuQ>; Grid Strategies, *Federal Transmission Pricing Vol. 2, Options for Ensuring Affordability in an Era of High Load Growth* (June 2026), available at <https://gridstrategiesllc.com/project/federal-transmission-pricing>.

⁷ Proclamation No. 11014, 91 Fed. Reg. 11439 (Mar. 4, 2026).

9. I support initiating our own review of customer protection approaches, rather than simply relying on voluntary commitments that may fall short of optimal protection, because the Commission has the opportunity and obligation to get this issue right. I therefore encourage interested parties to assist the Commission in that effort by clearly and comprehensively explaining the benefits and tradeoffs of alternative customer protection approaches. How power infrastructure costs will be assigned across Eligible Customers that serve large loads and other customers is at the core of the efforts we initiate today.

IV. The Commission Needs to Understand the Implications of Extending New Transmission Services to Additional Loads and Regions

10. The orders also preliminarily find that the Commission should extend the transmission services developed in the PJM co-location proceeding – Interim NITS, Firm Contract Demand, and Non-Firm Contract Demand – to new types of load and new regions. These new transmission services represent a fundamental paradigm shift from the traditional network service and point-to-point transmission service models established in Order No. 888 that have been used across the country for the last three decades. While these services have the potential to facilitate more efficient use and build out of the transmission system, they also contemplate running the system “tighter” than we have done in the past, potentially with more loads on the system served by co-located or behind-the-meter generation, and potentially more use of batteries, load control systems, and backup resources to manage demand during system peaks or other stressed conditions. While it is important to identify innovative solutions that can adapt to the needs of the system, the Commission and grid operators must also be careful not to implement changes that create unforeseen reliability risks. Ultimately, we must find the proper balance (and I would argue we are exploring a *new* balance) between costs of investments versus reliability.

11. The Commission’s experience in the PJM co-location proceeding highlights the complexities and challenges of introducing these new transmission services, which have significant ramifications for system operations, transmission planning, grid reliability, market dispatch, resource adequacy, and cost allocation. As the Commission considers whether to expand these transmission services to new types of load and new regions, I encourage commenters to address what impacts the introduction of new firm and non-firm transmission products would have in their regions, as well as any relevant characteristics that might distinguish their regions from the Commission’s findings in the PJM co-location docket. Ultimately, this topic will have direct long-term impacts on how future transmission systems will be planned and configured, how efficiently future power markets will operate, and how customers will respond to prices and system needs. Therefore, I am specifically interested in understanding how extending the new transmission services might affect individual suppliers or customers, as well as how existing systems or processes might be affected by these new services. I am open to

understanding how these services might be helpful to a region or that they may create problems not yet anticipated.

V. The Orders Recognize the Importance of Evaluating Advanced Transmission Technologies

12. Lastly, today we preliminarily find that each RTO/ISO's tariff is unjust and unreasonable because the tariff lacks clear and consistent provisions requiring the evaluation of alternative transmission technologies as potential solutions to accommodate an Eligible Customer's request for transmission service on behalf of a large load. Specifically, it is important for RTO/ISOs and transmission owners to evaluate whether alternative transmission technologies are feasible in reducing the cost of transmission system upgrades or allow for a faster timeline for accommodating the transmission service request. As many transmission owners have explored various alternative technologies in pilot projects,⁸ it is time to roll out all available technologies to reduce risks and costs for customers, as well as help the industry continue to develop new technologies that can increase the robustness of our transmission system while protecting customers from higher costs.

⁸ See, e.g., *Increasing Mkt. and Planning Efficiency Through Improved Software, Effective Congestion Mitigation with Transmission Topology Optimization at Alliant Energy and ATC*, Docket No. AD10-12-016, *available at* <https://www.ferc.gov/media/effective-congestion-mitigation-transmission-topology-optimization-alliant-energy-and-atc> (Alliant and ATC were able to save customers approximately \$24 million over a 12-month period through the use of topology optimization); Pablo Ruiz and Derek Brown, "Reliable and Efficient Congestion Mitigation Using Transmission Reconfigurations," NewGrid and Evergy presentation (Oct. 2022), *available at* <https://www.spp.org/Documents/67968/SAG%20Meeting%20Materials%2020221007.zip> (identifying reconfigurations, had they been implemented, which could eliminate 98% of overloads and reduce congestion costs by 85% for congestion patterns associated with 10 significant constraints on Evergy's system); Pacific Gas & Electric Press Release, *PG&E and Smart Wires Enhance Grid Reliability, Capacity for Data Centers in San Jose* (May 28, 2025), *available at* <https://investor.pgecorp.com/news-events/press-releases/press-release-details/2025/PGE-and-Smart-Wires-Enhance-Grid-Reliability-Capacity-for-Data-Centers-in-San-Jose/default.aspx> (describing PG&E's deployment of advanced power flow control devices were able to mitigate thermal overloads by up to 34%, enabling an additional 100 MW of firm power delivery over existing lines at a congested substation).

VI. Conclusion

13. Today's orders address some of the most consequential issues currently in the industry and before the Commission. I hope that these proceedings provide vehicles through which the Commission can provide much-needed clarity and direction, and it is imperative that we build strong and comprehensive records on each issue in each region to inform our decision-making. I therefore encourage all interested parties to fully engage and help the Commission navigate these complex, multi-faceted challenges. Our success will ultimately be measured by our shared ability to deliver reliable and affordable power to all customers, to ensure new loads can interconnect in a timely fashion while paying their fair share of system costs, and to protect existing customers against adverse reliability or economic impacts.

For these reasons, I respectfully concur.

A handwritten signature in cursive script, appearing to read "Judy Chang", with a long horizontal flourish extending to the right.

Judy W. Chang
Commissioner

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Docket No. EL26-72-000

ISO New England Inc.
Central Maine Power Company
The Connecticut Light and Power Company
Fitchburg Gas and Electric Light Company
Green Mountain Power Corporation
Maine Electric Power Company
The Narragansett Electric Company
New England Power Company
New Hampshire Transmission, LLC
NSTAR Electric Company
Public Service Company of New Hampshire
The United Illuminating Company
Unitil Energy Systems, Inc.
Vermont Electric Cooperative, Inc.
Vermont Electric Power Company, Inc.
Vermont Transco LLC
Versant Power

(Issued June 18, 2026)

LACERTE, Commissioner, *concurring*:

1. I support today's fleet of show cause orders. We are at an inflection point in the history of American energy infrastructure. The extraordinary and rapid growth of large loads in RTOs and ISOs is faster than the current system can handle. This order charts a course for addressing the potential gaps and shortcomings in ISO-NE's Tariff that need to be resolved to appropriately respond to this growth, as informed by careful review of the thousands of pages of comments received in response to the advance notice of proposed rulemaking (ANOPR).¹ I write separately to underscore my expectation for RTOs and ISOs, including ISO-NE, to timely submit their robust, thoughtful, and region-specific proposals to address the concerns that we have preliminarily identified in their respective tariffs and agreements. By harnessing your region-specific expertise and creativity to bring tailored solutions to the table, together we can efficiently, reliably, and affordably

¹ *Interconnection of Large Loads to the Interstate Transmission System*, Advance Notice of Proposed Rulemaking, Docket No. RM26-4-000, (Oct. 23, 2025) (ANOPR); *see also* Letter from Chris Wright, Sec'y, U.S. Dep't of Energy (Oct. 23, 2025) (Secretary's Letter).

integrate large load, co-located load and generation and/or storage, as well as electrically proximate large load onto the transmission system. I also support the use of alternative transmission technologies to unlock every megawatt of existing capacity from our current transmission system. We have the technology. We should use it now to enable faster interconnection of large loads, lower costs to customers, and help prevent cost shifting.

2. To that end, and in light of our action in today's orders, I also ask the state public utility commissions—whether they have already approved large load retail tariffs, are in the process of crafting large load retail tariffs, or have yet to embark on this essential tariff design process—to take a hard look and ensure their large load retail tariff provisions insulate ratepayers from the negative impacts of data center growth. Additionally, I expect ISO-NE to design proposals in response to this show cause order that dovetail with the efforts on the retail side to implement the Ratepayer Protection Pledge, protect customers, and ensure that large loads cover the costs they incur to integrate with the grid.

3. The stakes here could not be higher and every gambler knows that the secret to surviving is knowing what to throw away and knowing what to keep.² Today's orders do exactly that—adopting thoughtful proposals that position our nation for success, driving meaningful change, and rejecting the gridlock, half-measures, and failure to plan that have gone on for far too long. The data center odyssey that we embarked upon first with PJM, then SPP, we now aggressively extend to all the RTO/ISO regions.³ Enabling the swift and efficient interconnection of large loads to the transmission system while maintaining affordability, reliability, commitment to open access, competitive principles and cooperative federalism, will only be achieved through consistent, coordinated action and persistence. But without that first step,⁴ there is no direction, no forward momentum, no journey, and no way to arrive at our future destination. In the show cause orders we issue today, the Commission takes a series of long strides towards our ultimate large load interconnection destination: we make preliminary findings that the RTO/ISO tariffs, including ISO-NE, may be unjust and unreasonable and/or unduly discriminatory or

² Kenny Rogers, *The Gambler* (United Artists Records 1978).

³ *Interconnection of Large Loads to the Interstate Transmission System*, 195 FERC ¶ 61,045 at P 2 (2026) (Order Regarding Intent to Act) (citing PJM Co-Location Order, 193 FERC ¶ 61,217; SPP HILL Order, 194 FERC ¶ 61,031; *Commonwealth Edison Co.*, 194 FERC ¶ 61,181 (2026); *Tri-State Generation and Transmission Ass'n*, 193 FERC ¶ 61,070 (2025); *Duke Energy Carolinas, LLC*, 193 FERC ¶ 61,237 (2025)).

⁴ Admittedly, we are further down the road in some regions as compared with others.

preferential because they lack features necessary to timely, reliably, and safely interconnect and serve new large loads in a way that produces just and reasonable rates.

4. I commend each commentor for their robust and ongoing responses to the concerns that Secretary Wright and the Commission raised in the ANOPR proceeding. The comments helped us identify the common issues, common solutions, and individual differences among the RTOs/ISOs. We heard a plea for broad flexibility and regionally tailored solutions. And we will strive to work towards those solutions, not through top-down, one-size-fits-all mandates, but through consideration of region-specific proposals. And we endeavor to support an appeal for federal policies that build upon rather than disrupt current and planned developments, reflecting state and local processes and stakeholder efforts. Through these individually tailored and region-specific show cause orders, we are delivering to ensure that our transmission system can accommodate new large loads in a timely, safe, and reliable manner. And, importantly, in a manner that ensures benefits and protection for all customers. Affordability remains a top concern as we proceed forward.

5. The collective voices in the ANOPR comments have shaped our decision to issue six separate individually tailored and region-specific show cause orders, rather than a proposed final rule *at this time*. But the success of the next phase of this journey rests with you, ISO-NE, and your stakeholders. We are directing you to expeditiously bring forward for our consideration your novel, region-specific solution(s). Time is of the essence. By inviting you to proceed under FPA section 205, we are giving you significant perks: the benefits of first wielder of the pen and the relatively capacious standard under FPA section 205 that allows us to accept a potentially broad range of proposals provided they are shown to be just and reasonable and not unduly discriminatory or preferential.⁵ We are even giving you flexibility to propose the implementation date for your innovative proposals. But such freedom comes with great and concomitant responsibility.

6. This is not a time to be cavalier and dodge the urgent need to meet the moment. While this is a long journey, even so, we must continue to move at breakneck pace to win

⁵ See, e.g., *NRG Power Mktg, LLC v. FERC*, 862 FERC 108, 105 (D.C. Cir. 2017) (FERC may not employ a rate design that follows “a completely different strategy” than, or is “methodologically distinct” from, a proposed rate) (internal quotations omitted); *Oxy USA, Inc. v. FERC*, 64 F.3d 679, 692 (D.C. Cir. 1995) (stating that a proposal under FPA section 205 “need not be the only reasonable methodology, or even the most accurate”); *City of Winnfield v. FERC*, 744 F.2d 871, at 874-875 (D.C. Cir. 1984) (comparing the respective authorities of the Commission and public utilities under sections 205 and 206).

the AI race. So let me be direct. If you choose not to submit timely, reasonable, non-discriminatory or preferential, comprehensive, and substantiated proposal(s), as directed and as required under our applicable statutes, your deficient response will not go unnoticed. I am prepared to play jurisdictional hardball, if needed.⁶ This Commission has appropriately exercised considerable restraint in asserting the full scope of our jurisdiction in these orders. However, the Commission has very broad jurisdiction over transmission that we will not hesitate to utilize as necessary to ensure that we meet our objectives in all show cause proceedings, including this ISO-NE proceeding we initiate here. If we find your Tariff is in fact unjust and unreasonable and unduly discriminatory or preferential, any failure on your end to provide a sufficient FPA filing or filings to address the large-load-related concerns that we have identified will result in the Commission dictating the solutions for you. I say this not as a threat, but as a statement of duty. While you may not like our remedies—I have often said that the federal government generally does not come up with the best solutions—this is an outcome we are prepared to pursue given the gravity of the moment and our statutory obligation. Notwithstanding our readiness to step in, it greatly benefits everyone for you to come up with an approach tailored to your region.

7. I will end my concurrence where I began: We have heard your concerns, and, let me underscore, now is the time for you to heed ours. This is an extraordinarily consequential proceeding. The stakes for reliability, for affordability, and for the American ratepayer could not be higher. We owe it to the public to get this right. I look forward to reviewing and acting as expeditiously as possible on your responses to this show cause order, which I expect will include an FPA section 205 proposal or proposals.

8. For these reasons, I respectfully concur.

David LaCerte
Commissioner

⁶ 16 U.S.C. § 824(b); *New York v. FERC*, 535 U.S. 17 (2002) (“There is no language in the statute limiting FERC’s *transmission* jurisdiction to the wholesale market[.]”) (emphasis in original); *id.* at 20 (stating that “the FPA authorizes FERC’s jurisdiction over interstate transmissions, without regard to whether the transmissions are sold to a reseller or directly to a consumer[.]”).