

195 FERC ¶ 61,213
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.

Southwest Power Pool, Inc.

Docket No. EL26-68-000

AEP Oklahoma Transmission Company, Inc.
AEP Southwestern Transmission Company, Inc.
Deseret Generation & Transmission Co-operative, Inc.
Empire District Electric Company
Eversource Kansas Central, Inc.
Eversource Kansas South, Inc.
Eversource Metro, Inc.
Eversource Missouri West, Inc.
GridLiance High Plains LLC
ITC Great Plains, LLC
Mountrail-Williams Electric Cooperative
NextEra Energy Transmission Southwest, LLC
NorthWestern Energy Public Service Corporation
Oklahoma Gas and Electric Company
Prairie Wind Transmission, LLC
Public Service Company of Oklahoma
Southwestern Electric Power Company
Southwestern Public Service Company
Transource Missouri, LLC
Transource Oklahoma, LLC
Tri-State Generation and Transmission Association, Inc.
Upper Missouri G. & T. Electric Cooperative, Inc.

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

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).

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 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

² For the purposes of this order, we adopt SPP’s definition of high impact large load (HILL) for large load. *See infra* note 54.

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 69.

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.

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. EL26-68-000.

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.⁸

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, we directed PJM Interconnection, L.L.C. (PJM) to take steps to address the challenges of integrating co-located loads onto the transmission system while ensuring that its tariff remains just and reasonable.⁹ We recognize and applaud Southwest Power Pool, Inc. (SPP) for taking critical steps to address the addition of large and co-located loads to its transmission system.¹⁰ SPP has already enhanced its study process for requests from Eligible Customers¹¹ for transmission service to serve

⁷ As discussed below, under HILLGA, the generating facility and the HILL to be served must be located no more than two substations apart. *See infra* P 15.

⁸ We note that SPP's Tariff does not have a formal definition of "co-located load" or "co-location arrangement." As discussed below, for the purposes of HILLGA, the generating facility only must be in close electrical proximity. However, HILLs and the generating facility could be co-located. SPP TOs November 21 ANOPR Comments at 5.

⁹ PJM Show Cause Order, 190 FERC ¶ 61,115; PJM Co-Location Order, 193 FERC ¶ 61,217.

¹⁰ SPP HILL Order, 194 FERC ¶ 61,031; SPP CHILLS Order, 195 FERC ¶ 61,196.

¹¹ SPP defines Eligible Customer, in relevant part, as

Any electric utility (including the Transmission Owner(s) and any power marketer), Federal Power Marketing Agency, or any person generating electric energy for sale for resale...
(ii) Any retail customer or eligible person taking unbundled transmission service pursuant to a state requirement that a Transmission Owner offer the transmission service, or pursuant to a voluntary offer of such service by a Transmission Owner, is an Eligible Customer under the Tariff."

SPP Open Access Transmission Tariff, Sixth Revised Vol. No. 1, pt. I, § 1 (Definitions E) (6.1.0) (SPP Tariff).

large loads. So too has SPP provided a new transmission service that recognizes that large loads, including co-located large loads, are flexible and willing to limit withdrawals from the transmission system. We commend SPP's leadership on these issues and appreciate the bold and proactive steps that SPP has taken to address the influx of large loads, including co-located large loads. Given SPP's enhanced study processes and new transmission service for Eligible Customers taking transmission service on behalf of large loads, we expect that SPP will be able to demonstrate that it has resolved several of the concerns that the Commission has about a lack of clarity and consistency in other regions' tariffs. That said, SPP has not yet proposed tariff revisions to address all of the challenges associated with the integration of large and co-located loads.

3. As discussed below, we find that SPP's existing Open Access Transmission 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),¹² and we direct SPP and the Transmission Owners,¹³ within 60 days of the date of this order, to either:

¹² 16 U.S.C. § 824e.

¹³ Transmission Owners refers to the entities listed in the caption of this order. We recognize that SPP'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 Arkansas Electric Cooperative Corporation; Basin Electric Power Cooperative; Central Nebraska Public Power and Irrigation District; Central Power Electric Cooperative, Inc.; City of Coffeyville, Kansas; City of Independence, Missouri; City Utilities of Springfield, Missouri; Colorado Springs Utilities; Corn Belt Power Cooperative; East River Electric Power Cooperative, Inc.; East Texas Electric Cooperative, Inc.; Farmington Electric Utility System; Grand River Dam Authority; Harlan Municipal Utilities; Heartland Consumers Power District; Kansas City Board of Public Utilities; Kansas Power Pool; L and O Power Cooperative; Lea County Electric Cooperative, Inc.; Lincoln Electric System; Midwest Energy, Inc.; Missouri Joint Municipal Electric Utility Commission; Missouri River Energy Services; Mor-Gran-Sou Electric Cooperative, Inc.; Nebraska Public Power District; and Northwest Iowa Power Cooperative; Oklahoma Municipal Power Authority; Omaha Public Power District; People's Electric Cooperative; Platte River Power Authority; Roughrider Electric Cooperative, Inc.; Southwestern Power Administration; Sunflower Electric Power Corporation; Western Area Power Administration-Upper Great Plains Region; Western Area Power Administration-Colorado River Storage Project Management Center; Western Area Power Administration-Rocky Mountain Region; and Western Farmers Electric Cooperative here as 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

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

(a) require the evaluation of alternative transmission technologies,¹⁴ and memorialize ongoing operational requirements in a transmission service agreement between SPP and the transmission customer taking transmission service on behalf of a large load;

(b) address additional transparency concerning the Network Upgrade¹⁵ costs to provide transmission service to Eligible Customers on behalf of large loads, establish a *pro forma* cost recovery agreement between SPP, 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 establish 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) address the rates, terms, and conditions of service that apply to co-location arrangements; and

(d) address 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;¹⁶ or

a component of SPP's Tariff in an order to show cause directed towards SPP, and SPP must respond to this order regarding the non-public utilities' SPP Tariff provisions on file with the Commission. *See Sw. Power Pool, Inc.*, 180 FERC ¶ 61,022 at P 40.

¹⁴ 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, 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).

¹⁵ Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Tariff.

¹⁶ As explained below, for purpose of this order, "flexible" large loads are a subset of HILLs that are not co-located with generation, but are willing and able to limit their

(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 SPP's need to ensure adequate generation to serve new large loads.¹⁷ We therefore direct SPP to submit, within 30 days of the date of issuance of this order, an informational report on how SPP 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 SPP and/or the 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

energy withdrawals from the transmission system under certain conditions. *See infra* note 163.

¹⁷ *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.¹⁸ 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.¹⁹ 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.²⁰

7. On April 16, 2026, the Commission issued an order regarding its intent to act with respect to the ANOPR docket.²¹ 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.'"²² After recognizing the Commission's recent actions in proceedings involving issues associated with large loads,²³ the Commission concluded

¹⁸ 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).

¹⁹ *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).

²⁰ *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.

²¹ *Interconnection of Large Loads to the Interstate Transmission Sys.*, 195 FERC ¶ 61,045 (2026) (Order Regarding Intent to Act).

²² *Id.* P 2.

²³ *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 (2025); *Duke Energy Carolinas, LLC*, 193 FERC ¶ 61,237 (2025)).

that it was clear that additional “action is warranted to support further progress where it is needed.”²⁴

8. In response to the ANOPR, SPP states that it is facing significant operational, planning, and market challenges in response to unprecedented growth in large and non-traditional load interconnection requests.²⁵ SPP has elsewhere explained that large loads interconnected to the transmission system can stress both real-time operational reliability and resource adequacy planning, particularly in areas with constrained transmission capacity.²⁶ SPP also acknowledges that the scale and speed with which large loads seek to interconnect to the transmission system, and the operational inflexibility of these loads, strain existing transmission planning processes, real-time operational tools, and market mechanisms originally designed for gradual and geographically distributed load growth.²⁷ A number of large load projects are underway in the SPP footprint.²⁸ SPP has previously noted that large load interconnection request submissions peaked in SPP in 2022 at nearly 11 GW, but have since dropped to approximately 6 GW in 2024; according to SPP, this trend could be due in part to SPP’s inability to study and interconnect large loads quickly enough to meet their commercial needs.²⁹ As explained in detail below, SPP has taken steps to address these challenges in a number of recent proceedings.³⁰

9. While some commenters in the ANOPR proceeding assert that SPP’s existing processes and recent efforts are sufficient to address the challenges presented by large

²⁴ *Id.* PP 3-4.

²⁵ SPP November 21 ANOPR Comments at 2.

²⁶ *See, e.g.*, Sw. Power Pool, Inc., Docket No. ER26-1323-000, Transmittal at 2 (filed Feb. 10, 2026) (SPP CHILLS Transmittal).

²⁷ *Id.*

²⁸ EEI March 12 ANOPR Comments, attach. 1, at 1-8 (listing publicly announced large load projects, including in the SPP footprint).

²⁹ Sw. Power Pool, Inc., Docket No. ER26-247-000, Transmittal at 8-9, figs. 2, 3 (filed Oct. 24, 2025) (SPP HILL Transmittal).

³⁰ *See infra* PP 15-18.

and co-located loads,³¹ other entities in the SPP footprint support additional reforms.³² In particular, many entities seek additional transparency from SPP and believe that further action is needed to protect ratepayers from cost shifts caused by large and co-located loads.³³ Others stakeholders argue the Commission should provide mechanisms for additional load flexibility.³⁴ The Missouri Commission also supports efficient and comprehensive study procedures for co-location arrangements.³⁵ Antora asserts that SPP should offer a permanent non-firm transmission service option.³⁶

10. Moreover, many commenters in the ANOPR proceeding filed persuasive comments documenting, generally, the need for clear and consistent tariff provisions to 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.³⁷

³¹ See, e.g., Arkansas Commission November 21 ANOPR Comments at 2-3; North Dakota Commission November 21 ANOPR Comments at 5; Louisiana and Mississippi Commissions November 21 ANOPR Comments at 6; Nebraska Board November 21 ANOPR Comments at 1-2; South Dakota Commission November 21 ANOPR Comments at 5; SPP TOs April 6 ANOPR Comments at 2.

³² Kansas Commission November 21 ANOPR Comments at 11-12; Missouri Commission November 21 ANOPR Comments at 14; Oklahoma State Entities November 21 ANOPR Comments at 3, 9; State Entities November 21 ANOPR Comments at 7-8.

³³ Kansas Commission November 21 ANOPR Comments at 12; Missouri Commission November 21 ANOPR Comments at 14; Oklahoma State Entities November 21 ANOPR Comments at 3; State Entities November 21 ANOPR Comments at 7-8.

³⁴ Oklahoma State Entities November 21 ANOPR Comments at 9; State Entities November 21 ANOPR Comments at 8.

³⁵ Missouri Commission November 21 ANOPR Comments at 14.

³⁶ Antora May 18 ANOPR Comments at 6-7.

³⁷ 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.

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.³⁸ In addition, many ANOPR commenters highlighted the need to efficiently integrate large loads, particularly data centers, to support national security priorities and economic development.³⁹

B. Recent Proceedings Addressing Large and Co-Located Loads

11. Over the past year, the Commission has begun to address, both *sua sponte* and in response to complaints and FPA section 205⁴⁰ filings, the growing use of co-location arrangements.⁴¹ The Commission's orders in those proceedings have addressed the need 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

³⁸ 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 at 12; NCSL November 21 ANOPR Comments at 1; NRECA November 21 ANOPR Comments at 8-9; NY UIU November 21 ANOPR 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.

³⁹ 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.

⁴⁰ 16 U.S.C. § 824d.

⁴¹ 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 ¶ 61,209 (2026); SPP HILL Order, 194 FERC ¶ 61,031; SPP CHILLS Order, 195 FERC ¶ 61,196.

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, and in recognition of SPP's recent reforms to implement a new process for studying requests for Eligible Customers taking transmission service on behalf of large loads and a new conditional, non-firm transmission service for Eligible Customers taking transmission service on behalf of large loads, that the Commission now considers whether SPP's Tariff remains just and reasonable.

1. PJM Co-Location Proceedings

12. 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.⁴² 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.⁴³ 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.⁴⁴

13. 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.⁴⁵ 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

⁴² See PJM Show Cause Order, 190 FERC ¶ 61,115.

⁴³ *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.

⁴⁴ PJM Co-Location Order, 193 FERC ¶ 61,217.

⁴⁵ *Id.* P 176.

withdrawals from the transmission system under certain conditions.⁴⁶ Additionally, the Commission found that PJM's behind the meter generation rules were no longer just and reasonable.⁴⁷ 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;⁴⁸ (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;⁴⁹ (3) to revise the behind the meter generation rules and implement a transition process for existing behind the meter generation participants;⁵⁰ 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.⁵¹

14. 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 conditions for the new transmission services (i.e., interim NITS, firm contract demand transmission service, and non-firm contract demand transmission service).⁵²

⁴⁶ *Id.* P 177.

⁴⁷ *Id.* P 179.

⁴⁸ *Id.* PP 187-192, 225-230.

⁴⁹ *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.

⁵⁰ *Id.* PP 221-224.

⁵¹ *Id.* PP 161, 231-236.

⁵² 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).

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

15. 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.⁵³ SPP's Tariff revisions established HILLs as a new category of load;⁵⁴ imposed enhanced study requirements to enable SPP to assess the HILL's reliability impacts on the transmission system;⁵⁵ and created additional, ongoing operational requirements for transmission customers serving HILLs to ensure continued reliability of the transmission system.⁵⁶ The Tariff revisions also established the

⁵³ SPP HILL Order, 194 FERC ¶ 61,031 at PP 61, 64.

⁵⁴ 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 Tariff, pt. I, § 1 (Definitions H) (1.0.0).

⁵⁵ 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).

⁵⁶ *Id.* P 18 (explaining that market participants registering a HILL must (1) follow 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).

HILLGA 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.⁵⁷

16. 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.”⁵⁸ 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.⁵⁹ 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.⁶⁰ In addition, the Commission found that the proposed study deposits would discourage speculative HILL study requests.⁶¹ Finally, the Commission 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.⁶² In accepting HILLGA, the Commission found that “SPP’s HILLGA process reasonably

⁵⁷ *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).

⁵⁸ *Id.* P 60.

⁵⁹ *Id.* P 61.

⁶⁰ *Id.* P 62.

⁶¹ 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 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.

⁶² *Id.* P 63.

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.”⁶³

3. SPP Conditional High Impact Large Load Service

17. 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).⁶⁴ 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.⁶⁵ 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.⁶⁶ 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.⁶⁷

18. The Commission found that SPP had shown that unprecedented growth in large loads presents significant and unique operational and planning challenges.⁶⁸ The Commission also found that SPP’s ability to add HILLS to its transmission system in a 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.⁶⁹ The Commission concluded that CHILLS is a just and reasonable and not unduly discriminatory or preferential approach to addressing the need to expeditiously

⁶³ *Id.* P 64.

⁶⁴ SPP CHILLS Order, 195 FERC ¶ 61,196 at P 1.

⁶⁵ *Id.* P 7.

⁶⁶ *Id.* PP 9-10.

⁶⁷ *Id.* P 9.

⁶⁸ *Id.* P 84.

⁶⁹ *Id.*

interconnect and provide transmission service to new HILLs, while maintaining the reliable operation of SPP's transmission system.⁷⁰

II. SPP's Existing Processes

A. Existing Tariff Processes

19. SPP evaluates new Long-Term Firm Point-to-Point Transmission Service and new NITS requests by Eligible Customers through Attachment Z1 (Aggregate Transmission Service Study Procedures and Cost Allocation and Recovery for Service Upgrades),⁷¹ and existing transmission customers' requests to add or modify delivery point facilities associated with load additions under Attachments AQ (Delivery Point Assessment Process) and AX (Provisional Load Process) of SPP's Tariff.⁷² SPP studies the impacts of requested delivery point additions or modifications on the transmission system and determines what, if any, Network Upgrades are required to accommodate the requests.⁷³ Network Upgrades identified in the Attachment AQ process are Base Plan Funded, meaning that the costs of these Network Upgrades are allocated through rolled-in rates among all SPP transmission customers pursuant to the criteria in Attachment J of the Tariff.⁷⁴

⁷⁰ *Id.*

⁷¹ SPP Tariff, attach. Z1 (Aggregate Transmission Service Study) (0.0.0).

⁷² *Id.* attach. AQ (Delivery Point Assessment Process) (1.0.0); *id.* attach. AX (Provisional Load Process) (0.0.0).

⁷³ A transmission customer can use a combination of the Attachment AQ and Attachment AX processes if it has neither sufficient designated resources nor planned generation to serve both its existing load and a new HILL. *Id.* attach. BA (High Impact Large Load (0.0.0), § 2.1.2 (0.1.0).

⁷⁴ SPP Tariff, attach. J (Recovery of Costs Associated with New Facilities), § III.A (21.0.0); *Sw. Power Pool, Inc.*, 193 FERC ¶ 61,244 (2025). Specifically, using SPP's Highway/Byway cost allocation method, SPP allocates the costs of Base Plan Upgrades to transmission customers in individual SPP pricing zones, subregions, the entire SPP region, or a combination thereof, based on the voltage level and location of the specific facility. Specifically, SPP allocates costs for transmission facilities as follows: (1) for facilities at 300 kV or above (Highway facilities), 100% of the costs are allocated on a regional, postage stamp basis based on load ratio share; (2) for facilities above 100 kV and below 300 kV (Byway facilities), SPP allocates 33% of the costs on a regional, postage stamp basis and 67% of the costs to the subregion in which the facilities are

20. Attachment AX of SPP's Tariff includes a Provisional Load Process to allow transmission customers to request studies of new load interconnection requests when transmission customers do not have sufficient Designated Resources to serve their load, provided that the transmission customer has planned generation to serve the load additions.⁷⁵ Network Upgrades identified in the Provisional Load Process will be directly assigned to the transmission customer until the transmission customer's transmission service agreement includes a generating facility designated to serve the load, at which point the remaining cost of the Network Upgrades will be Base Plan Funded.⁷⁶

21. As described above, SPP's Tariff has been amended to address the integration of large loads through the HILL study process, which includes enhanced study requirements beyond what is required under the Attachments AQ and AX processes.⁷⁷ SPP also established a HILLGA process that allows for expedited review of generating facilities that are designated to serve a HILL and interconnected in the same local area as the HILL (i.e., within a certain number of substations and transmission line segments from the HILL).⁷⁸ As SPP TOs explain, the HILL and HILLGA processes will treat large loads and any co-located generation⁷⁹ as distinct for tariff and metering purposes, assess transmission service based on the large load's gross withdrawals, and ensure that the transmission system is planned and paid for to meet a large load's full reliability needs.⁸⁰

22. Neither the HILL nor HILLGA process will result in transmission service for a new generating facility to the HILL. Eligible Customers (including Eligible Customers

located; and (3) for facilities at 100 kV or below, SPP allocates all costs to the zone where the facilities are located.

⁷⁵ See *Sw. Power Pool Inc.*, 193 FERC ¶ 61,018 (2025); see also SPP Tariff, attach. AX.

⁷⁶ SPP Tariff, attach. J, § V(F) (6.0.0).

⁷⁷ See *supra* PP 15-16. SPP TOs explain that under the HILL proposal, the load and generating facility may be located at the same point of interconnection. SPP TOs November 21 ANOPR Comments at 5.

⁷⁸ See SPP HILL Order, 194 FERC ¶ 61,031 at PP 26, 64-66; see also SPP Tariff, attach. BB (High Impact Large Load Generation Assessment) (0.0.0), § 3.1.3(5)(a).

⁷⁹ We reiterate that SPP's Tariff does not have a formal definition of "co-located load" or "co-location arrangement." As noted, for the purposes of HILLGA, the generating facility only must be in close electrical proximity.

⁸⁰ SPP TOs November 21 ANOPR Comments at 7.

that are also HILLGA interconnection customers) must request transmission service, which may be short-term or long-term Firm Point-to-Point Transmission Service, Non-Firm Point-to-Point Transmission Service, or NITS.⁸¹ Additionally, as discussed above, the Commission recently accepted SPP's CHILLS, a new conditional, non-firm transmission service option for Eligible Customers taking transmission service on behalf of large loads, including co-located large loads, that may be taken for up to seven years until the Eligible Customer obtains sufficient Designated Resources to support NITS or Firm Point-to-Point Transmission Service or the required Network Upgrades for NITS or Point-to-Point Transmission Service are completed.⁸²

23. For long-term Firm Point-to-Point Transmission Service requests or requests for new NITS, SPP conducts an Aggregate Transmission Service Study under Attachment Z1 of the Tariff to determine any necessary transmission facility additions, expansions, or upgrades the relevant transmission customer seeking transmission service is responsible for funding to ensure that the transmission system and transmission service to existing customers is not degraded or impaired.⁸³

24. Network Upgrades identified through the Attachment AQ, AX,⁸⁴ and Z1 processes are evaluated in SPP's transmission planning process and included in SPP's Transmission Expansion Plan.⁸⁵ SPP explains that as it relates to the cost responsibility of Network Upgrades, section 7.2 of the SPP Bylaws delegate primary responsibility for determining regional proposals for cost allocation to the SPP Regional State Committee.⁸⁶

⁸¹ See SPP Tariff, pt. II, §§ 17.1 (Application) (1.0.0), 18.1 (Application) (0.0.0); *id.* pt. III, § 29.1 (Condition Precedent for Receiving Service) (0.0.0).

⁸² SPP CHILLS Order, 195 FERC ¶ 61,196 at PP 7, 9; *see* SPP Tariff, pt. VII (Conditional High Impact Large Load Transmission Service) (0.0.0); *id.* schedule 15 (Conditional High Impact Large Load Service) (0.0.0).

⁸³ SPP Tariff, attach. Z1, § 1 (Introduction) (1.0.0).

⁸⁴ Specifically, Network Upgrades are included in SPP's Transmission Expansion Plan once the loads seeking Provisional Load Services in Attachment AX have a generating facility designated to serve the load.

⁸⁵ See SPP Tariff, attach. O, §§ III (The Integrated Transmission Planning Assessment) (14.0.0), II.5.b (Roles and Responsibilities), V (The SPP Transmission Expansion Plan Report) (10.0.0), V.3.c.

⁸⁶ SPP November 21 ANOPR Comments at 15.

25. SPP processes generator interconnection requests under Attachment V (Generator Interconnection Procedures (GIP)) of its Tariff.⁸⁷ SPP's generator interconnection study process, the Definitive Interconnection System Impact Study (DISIS), is divided into a two-phased system impact study in DISIS Phase One and DISIS Phase Two, which is followed by an interconnection facilities study.⁸⁸ The system impact study is a cluster study that evaluates the impact of each proposed interconnection request on the reliability of SPP's transmission system. DISIS Phase One involves a cluster study consisting of a steady-state powerflow analysis and calculation of the short-circuit ratio. DISIS Phase Two involves a cluster study consisting of a short circuit analysis, stability analysis, short circuit ratio critical clearing time screening, and steady state powerflow analysis.

26. Pursuant to the Tariff, an interconnection customer may request, and SPP may provide, interim interconnection service prior to the completion of requisite Interconnection Facilities, Network Upgrades, Distribution Upgrades, or System Protection Facilities.⁸⁹ The scope of the interim availability interconnection system impact study maintains the scope and procedures of the DISIS with the exception that certain previous queued interconnection requests may not be included in the interim availability interconnection system impact study.⁹⁰ Under the Tariff, an interconnection customer may also request surplus interconnection service for an unneeded portion of interconnection service capacity at an existing point of interconnection substation.⁹¹ The surplus interconnection service impact study consists of reactive power, short circuit/fault duty, stability analyses, and any other appropriate studies, and steady-state (thermal/voltage) analyses may be performed by SPP as necessary to ensure that all required reliability conditions are studied.

B. Recent Stakeholder Proceedings in SPP

27. SPP is also developing another transmission service, known as Price Adaptive Load Service (PALS), to provide transmission service that will enable the connection of

⁸⁷ SPP Tariff, attach. V (Generator Interconnection Procedures (GIP)) (12.0.0).

⁸⁸ *Id.* § 8 (28.0.0), §§ 8.4 (Scope of Definitive Interconnection System Impact Study and Priority System Impact Stud, 8.10 (Scope of Interconnection Facilities Study), 8.11 (Interconnection Facilities Study Procedures).

⁸⁹ *Id.* § 11 (Generator Interconnection Agreement) (9.0.0), § 11.A (Interim Generator Interconnection Agreement (Interim GIA)).

⁹⁰ *Id.* § 11 (Generator Interconnection Agreement) (9.0.0), § 11A.2.4.1.

⁹¹ *Id.* § 3.3 (Utilization of Surplus Interconnection Service) (30.0.0).

new loads.⁹² SPP states that PALS is a flexible, non-firm transmission service option that will allow loads that are price sensitive and flexible (i.e., do not need to be served from the transmission system on a firm basis) to vary their participation based on the price of energy.

28. We are encouraged by SPP's stakeholder efforts, and the proactive steps that SPP has already taken to enhance its study processes and develop a new transmission service. However, we conclude that this FPA section 206 proceeding is necessary to generate additional reforms in SPP 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 SPP promptly proposes revisions to ensure that its Tariff remains just and reasonable.

III. Discussion

29. Based on the discussion below, pursuant section 206 of the FPA, we direct SPP and the 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 that:

(a) require the evaluation of alternative transmission technologies, and memorialize ongoing operational requirements in a transmission service agreement between SPP and the transmission customer taking transmission service on behalf of a large load;

(b) address additional transparency concerning the Network Upgrade costs to provide transmission service to Eligible Customers on behalf of large loads, establish a *pro forma* cost recovery agreement between SPP, 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 establish 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) address the rates, terms, and conditions of service that apply to co-location arrangements; and

⁹² SPP November 21 ANOPR Comments at 6-7.

(d) address 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; 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.

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

31. Interested entities may respond within 30 days of SPP's and the 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.

32. We recognize that SPP and/or the 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,⁹³ no such filings were received from SPP by the Commission prior to the issuance of this order. Should SPP and/or the 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 SPP and/or the 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.

33. The Commission will consider requests from SPP and/or the 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 considered to provide SPP and the 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

⁹³ See ANOPR at P 32; Order Regarding Intent to Act, 195 FERC ¶ 61,045 at P 5.

order. Requests for a full or partial abeyance⁹⁴ 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.

34. 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.⁹⁵ 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

35. As noted above, the Commission recently approved revisions to SPP's Tariff that established an enhanced process for SPP to study the provision of transmission service to Eligible Customers on behalf of HILLs and help to ensure that integration of HILLs onto the transmission system does not impair reliability. In that order, the Commission found that the HILL process was a just and reasonable approach for integrating transmission customers' new large loads onto SPP's transmission system in a reliable manner.⁹⁶ However, we preliminarily find that SPP's Tariff appears to be unjust and unreasonable because it lacks (1) clear and consistent provisions requiring the evaluation of alternative transmission technologies, and (2) *pro forma* provisions in a transmission service agreement between SPP and the transmission customer taking transmission service on behalf of the HILL to memorialize ongoing operational requirements in the Tariff.

⁹⁴ A partial abeyance may be appropriate to the extent SPP 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.

⁹⁵ 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).

⁹⁶ SPP HILL Order, 194 FERC ¶ 61,031 at P 61.

36. We direct SPP and the 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 requiring the evaluation of alternative transmission technologies and *pro forma* provisions in a transmission service agreement memorializing ongoing operational requirements in a transmission service agreement between SPP and the transmission customer, or propose Tariff revisions to address these concerns.

1. Jurisdiction

37. 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 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.⁹⁷

38. 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.⁹⁸

⁹⁷ See generally NARUC April 14 ANOPR Comments (highlighting action taken by state public utility commissions related to large loads).

⁹⁸ 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 SPP Tariff, pt. I, § 1 (Definitions E) (6.1.0).

39. The Commission is a creature of statute and has jurisdiction over only those matters that Congress has given it the authority to regulate.⁹⁹ That authority includes jurisdiction over the wholesale sale and transmission of electricity in interstate commerce, including all facilities used for such sale and transmission.¹⁰⁰ 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.¹⁰¹ 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.¹⁰² 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,¹⁰³ including the interconnection of wholesale load to the transmission system.¹⁰⁴

40. 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

⁹⁹ *Atl. City Elec. Co. v. FERC*, 295 F.3d 1, 8 (D.C. Cir. 2002).

¹⁰⁰ 16 U.S.C. § 824(b)(1).

¹⁰¹ *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, limiting FERC’s ‘affecting’ jurisdiction to rules or practices that ‘directly affect the wholesale rate’” (cleaned up)).

¹⁰² *New York v. FERC*, 535 U.S. 1, 17, 19-20 (2002) (upholding the Commission’s exercise of jurisdiction over unbundled retail transmission service).

¹⁰³ *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).

¹⁰⁴ *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).

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.¹⁰⁵ The Commission has exclusive authority to ensure that the process to study the 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.

41. 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.¹⁰⁶ As such, we recognize that states will continue to regulate: (1) the specific terms of retail sales to large load;¹⁰⁷ (2) which entities may make retail sales within their borders, including which entities are legally permitted to provide electricity to retail large load customers;¹⁰⁸ and (3) any siting decisions and construction associated with the large load project.¹⁰⁹ Nothing in this order is intended to intrude upon state authority over retail service to large loads.

¹⁰⁵ 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.”).

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

¹⁰⁷ 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).

¹⁰⁸ PJM Show Cause Order, 190 FERC ¶ 61,115 at PP 68-69.

¹⁰⁹ 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,

42. 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 SPP'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 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

43. As explained above, the HILL process addresses how SPP and/or the Transmission Owners will study the provision of transmission service to Eligible Customers on behalf of large loads. In accepting the HILL process, the Commission found that SPP's study requirements would ensure the reliable integration of the transmission customer's HILL onto SPP's transmission system and would provide SPP with information about its 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.¹¹⁰ However, the HILL process lacks two components, provisions requiring the evaluation of alternative transmission technologies and *pro forma* provisions in a transmission service agreement memorializing ongoing operational requirements, without which we are concerned that SPP's Tariff may be unjust and unreasonable, or unduly discriminatory or preferential.

44. First, we preliminarily find that SPP's Tariff appears to be unjust and unreasonable because it 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. Alternative transmission technologies can add more capacity on existing transmission lines quickly, often within one to three years.¹¹¹ Unlike with traditional load growth,¹¹² large load customers often

136 FERC ¶ 61,051 at P 107 (acknowledging state authority over siting, permitting, and construction of transmission facilities).

¹¹⁰ SPP HILL Order, 194 FERC ¶ 61,031 at P 62.

¹¹¹ WATT and Advancing Modern Powerlines November 21 ANOPR Comments at 5-6.

¹¹² See, e.g., SPP HILL Order, 194 FERC ¶ 61,031 at P 7 (explaining that the

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.¹¹³ The Commission has previously recognized that alternative 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.¹¹⁴ Further, to

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.”).

¹¹³ Exec. Off. of the President, *Winning the Race: America’s AI Action Plan* at 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*, at 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).

¹¹⁴ *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*,

the extent Network Upgrade 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 Upgrade 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.

45. SPP 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.

46. Second, the HILL process does not include *pro forma* provisions in a transmission service agreement between SPP and the transmission customer taking transmission service on behalf of a HILL that memorialize ongoing operational requirements. While these requirements are included in the Tariff, we are concerned that, without such *pro forma* provisions in a transmission service agreement between SPP and the transmission customer, SPP may be unable to enforce ongoing operational requirements for transmission customers taking transmission service on behalf of HILLs. We therefore preliminarily find that SPP's Tariff appears to be unjust and unreasonable because it lacks *pro forma* provisions in a transmission service agreement between SPP and the transmission customer memorializing ongoing operational requirements for transmission customers taking transmission service on behalf of HILLs. SPP 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 SPP and the transmission customer.

B. Cost Shifting Risk Among Transmission Customers

47. We next preliminarily find that SPP'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 SPP, 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.

48. We direct SPP and the 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 SPP'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 SPP, 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 SPP regarding their transparency needs.

1. Jurisdiction

49. 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.

50. 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.¹¹⁵ 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.¹¹⁶ 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.¹¹⁷ 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,¹¹⁸ as well as voluntary efforts by transmission owners to protect retail ratepayers through cost recovery agreements with large loads.¹¹⁹ We are also encouraged by the execution of the President's Ratepayer Protection Pledge, through

¹¹⁵ See, e.g., Kansas Commission November 21 ANOPR Comments at 12; Missouri Commission November 21 ANOPR Comments at 11; Nebraska Board November 21 ANOPR Comments at 3; Tri-State November 21 ANOPR Comments at 8.

¹¹⁶ PJM Show Cause Order, 190 FERC ¶ 61,115 at P 167.

¹¹⁷ *Id.* P 68.

¹¹⁸ See, e.g., Kansas Commission November 21 ANOPR Comments at 9-10; Missouri Commission November 21 ANOPR Comments at 3-4; Oklahoma State Entities November 21 ANOPR Comments at 7-8.

¹¹⁹ See, e.g., *Commonwealth Edison Co.* 194 FERC ¶ 61,106; *Commonwealth Edison Co.*, 194 FERC ¶ 61,109; *Commonwealth Edison Co.*, 194 FERC ¶ 61,110; *Commonwealth Edison Co.*, 194 FERC ¶ 61,113 (2026); *PECO Energy Co.*, 193 FERC ¶ 61,148 (2025); *Dayton Power & Light Co.*, 192 FERC ¶ 61,103; *Dayton Power & Light Co.*, 189 FERC ¶ 61,220 (2024).

which data center developers have committed to shield retail ratepayers from increased electricity prices.¹²⁰

51. 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

52. We preliminarily find that SPP'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 SPP'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.

53. As an initial matter, we note that SPP has taken numerous steps to connect large loads to the transmission system in a reliable and expeditious manner and to enhance its study and operational requirements related to provision of transmission service to Eligible Customers on behalf of large loads.¹²¹ SPP's Tariff contains a process for identifying Network Upgrades for new transmission service requests, including for Eligible Customers requesting transmission service on behalf of large loads. As

¹²⁰ Proclamation No. 11014, 91 Fed. Reg. 11439 (Mar. 4, 2026).

¹²¹ See *supra* PP 21-22.

discussed above, Eligible Customers must satisfy several initial requirements within the timeframe outlined in SPP's Tariff before taking CHILLS, Firm Point-to-Point Transmission Service, or NITS on behalf of large loads. Should the studies associated with such a request identify the need for Network Upgrades, those upgrades will be further evaluated in SPP's transmission planning process and included in SPP's Transmission Expansion Plan, and the costs will be allocated to transmission customers in certain pricing zones, subregions, the entire SPP region, or a combination thereof, based on the voltage level and location of the specific Network Upgrade in accordance with section III of Attachment J. However, if an Eligible Customer does not yet have enough existing Designated Resources to serve new load, then the cost of any Network Upgrades associated with the new load will be directly assigned to the Eligible Customer until the Eligible Customer designates a generating facility to serve the load, at which point the remaining cost of the Network Upgrades will be allocated to transmission customers in accordance with section III of Attachment J.

54. However, SPP'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 SPP'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. As SPP itself acknowledges, it is facing "unprecedented growth in large, often non-traditional, load interconnection requests."¹²² The SPP TOs, for their part, note the "risk of inappropriate cost-shift to non-large load customers" associated with large-load driven Network Upgrades.¹²³ Although SPP has taken significant steps to curb speculative requests for transmission service by Eligible Customers on behalf of large loads through its HILL process, we are nonetheless concerned that the speed and scale with which large loads are seeking to be added to the transmission system, the projected 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 SPP hamper the ability of the Commission and stakeholders (including transmission customers and state regulators¹²⁴) to understand and

¹²² SPP November 21 ANOPR Comments at 2.

¹²³ See SPP TOs November 21 ANOPR Comments at 3, 6, 8.

¹²⁴ 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

accurately assess the relationship between the addition of large loads to the transmission system and wholesale transmission costs.

55. We acknowledge that SPP provides some information to stakeholders regarding the cost of Network Upgrades generally. For instance, SPP publishes an annual report detailing the region's holistic transmission needs over the next 10 years.¹²⁵ But such reporting primarily presents aggregate transmission need and transmission project cost-benefit projections across the region, not detailed cost estimates for large-load driven Network Upgrades. Moreover, SPP's Tariff does not contain provisions that require SPP to publicly post cost estimates for Network Upgrades necessary to provide transmission service to Eligible Customers on behalf of large loads.

56. 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 process¹²⁶ that are

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.").

¹²⁵ SPP, *Integrated Transmission Planning*, <https://www.spp.org/engineering/transmission-planning/integrated-transmission-planning/>.

¹²⁶ 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 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

needed to provide transmission service to Eligible Customers on behalf of large loads, SPP 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.

57. 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.¹²⁷

58. Accordingly, we preliminarily find that SPP's Tariff appears to be unjust and unreasonable because it does not require the provision of data on SPP'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 requests for transmission service by Eligible Customers on behalf of large loads, and the costs of those Network Upgrades. SPP should explain whether the Tariff remains just and reasonable without provisions that would require SPP and the Transmission Owners to publicly post and regularly update data that details: (1) the aggregate amounts of proposed large load additions in SPP's footprint, including the aggregate amounts in each

efficiently or cost-effectively meet the transmission planning region's identified transmission needs. *See* Order No. 1000, 136 FERC ¶ 61,051 at P 11.

¹²⁷ *See* Kansas Commission November 21 ANOPR Comments at 11-13 (noting the risk of cost shifts at the wholesale transmission level due to large-load driven regional transmission costs); Missouri Commission November 21 ANOPR Comments at 14 (urging requirements that enhance transparency); *see also* 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).

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 Upgrade (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. SPP and the 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 SPP's website. To the extent there are concerns about data confidentiality, SPP and the Transmission Owners should consider whether there are ways to mitigate those concerns while still providing the necessary transparency.

3. Cost Recovery Agreements

59. We next preliminarily find that SPP'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 SPP, 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.

60. 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.¹²⁸ Commenters also argue that retail-level large load tariffs do not protect wholesale transmission customers from cost shifting.¹²⁹ Specifically, commenters in the record contend that, while a retail-level large load tariff protects the load serving

¹²⁸ 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.

¹²⁹ TAPS November 21 ANOPR Comments at 26 (“[A] number of state commissions are moving forward with retail large load tariffs, which provide for varying 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.

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.¹³⁰ 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.”¹³¹ 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.¹³²

61. 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 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.

62. SPP’s Tariff does not require cost recovery agreements between SPP, 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,

¹³⁰ Buckeye November 21 ANOPR Comments at 14-15; *see* TAPS November 21 ANOPR Comments at 26-27 & nn.50-51.

¹³¹ Kansas Commission November 21 ANOPR Comments at 11-12.

¹³² 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).

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.

63. Accordingly, we preliminarily find that, in order to prevent unjust and unreasonable cost shifting among transmission customers, it appears necessary for SPP, 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.¹³³ 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.

64. 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 requirement.¹³⁴ 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

¹³³ 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).

¹³⁴ See *supra* note 119.

be filed with the Commission.¹³⁵ 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.

65. In addition to our preliminary finding that SPP'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 SPP and/or 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 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. SPP 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.¹³⁶

¹³⁵ 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.

¹³⁶ See *infra* P 94.

66. 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.¹³⁷ 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.

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

67. 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 Load¹³⁸ that is willing and able to limit its energy withdrawals from the transmission system under certain conditions.¹³⁹ Although SPP recently established the HILLGA process to allow for expedited review of generating facilities that are designated to serve a large load and interconnected in the same local area as the large load (i.e., within a certain number of substations and transmission line segments from the HILL), we remain concerned, as discussed below, that SPP's Tariff appears to be unjust and unreasonable because it lacks such provisions.¹⁴⁰

68. We direct SPP and the 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

¹³⁷ See 18 C.F.R. pt. 101 (2025).

¹³⁸ 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 72.

¹³⁹ PJM Co-Location Order, 193 FERC ¶ 61,217 at P 2; PJM Co-Location Rehearing Order, 195 FERC ¶ 61,209 at PP 91, 102.

¹⁴⁰ We note that SPP does not allow Eligible Customers taking transmission service on behalf of loads with behind the meter generation to reduce their transmission service charges by netting output from the behind the meter generation in determining NITS charges. We therefore need not address behind the meter generation netting rules in this order.

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. We recognize that SPP is currently considering reforms related to new transmission services, which might also be available to Eligible Customers taking transmission service on behalf of co-located load, in its stakeholder process, and we encourage SPP to consider whether these efforts would, either fully or in part, address the Commission's concerns that the Tariff appears to be unjust and unreasonable.

1. Definition

69. 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."¹⁴¹ The PJM Co-Location Order used the term co-location arrangement when referring to both the co-located load and the associated generator.¹⁴²

70. 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 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.

71. SPP defines Behind-The-Meter-Generation (BTMG) as "A generation unit that is connected on the load side of a load Meter Settlement Location and is used by the load Market Participant that is the registered owner for the Meter Settlement Location to serve all or part of its capacity, Energy or Ancillary Service needs."¹⁴³

72. For purposes of this order, we will use the term Eligible Load to refer to co-located load and/or load with BTMG.¹⁴⁴

¹⁴¹ PJM Co-Location Order, 193 FERC ¶ 61,217 at P 164 (alterations in original).

¹⁴² *Id.* P 3.

¹⁴³ SPP Tariff, attach. AE (MPL), § 1.1B (3.0.0). While we believe this definition is sufficient for purposes of this order, responses may explain whether changes to the definition of BTMG may be needed in order to comply with any future directives, should the Commission find that the Tariff has in fact become unjust and unreasonable.

¹⁴⁴ PJM Co-Location Rehearing Order, 195 FERC ¶ 61,209 at P 91.

2. Jurisdiction

73. 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.¹⁴⁵ 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.¹⁴⁶ 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.¹⁴⁷ 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.¹⁴⁸

74. 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.¹⁴⁹

3. Tariff Provisions

75. We preliminarily find that SPP'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 SPP'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

¹⁴⁵ PJM Co-Location Order, 193 FERC ¶ 61,217 at P 171 (citing 16 U.S.C. §§ 824d, 824e; *EPSA*, 577 U.S. at 278).

¹⁴⁶ *Id.* P 172 (citing *Nat'l Ass'n of Regul. Util. Comm'rs v. FERC*, 475 F.3d 1277, 1282 (D.C. Cir. 2007)).

¹⁴⁷ *Id.* P 173.

¹⁴⁸ *Id.* P 174.

¹⁴⁹ *Id.* PP 167-169.

transmission service on behalf of Eligible Load is willing and able to limit its energy withdrawals from the transmission system under certain conditions.

76. 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 SPP's Tariff to facilitate their co-location arrangements. We encourage SPP to explain how its existing HILLGA process either may already clarify some of these requirements or may be modified to provide such clarity. 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,¹⁵⁰ 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.

77. 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 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,"¹⁵¹ and that costs must be allocated in a manner that is at least roughly commensurate with the benefits that entity receives.¹⁵²

78. We preliminarily find that SPP'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 SPP 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

¹⁵⁰ *Hecate Energy Greene Cnty. 3 LLC v. FERC*, 72 F.4th 1307, 1312 (D.C. Cir. 2023).

¹⁵¹ *Midwest ISO Transmission Owners v. FERC*, 373 F.3d 1361 at 1368.

¹⁵² *See, e.g., Ill. Com. Comm'n v. FERC*, 576 F.3d 470 at 476.

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.¹⁵³ 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 the existing rules and studies applicable to co-location 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 SPP to address situations in which a co-located load withdraws energy from the transmission system.

79. Therefore, we preliminarily find that SPP'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. SPP should explain whether the Tariff remains just and reasonable without such provisions, or propose Tariff revisions.

80. We have similar concerns regarding SPP'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.¹⁵⁴ 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.¹⁵⁵ In the PJM Co-Location Rehearing Order, the Commission applied these findings to Eligible Customers taking transmission

¹⁵³ 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.

¹⁵⁴ PJM Co-Location Order, 193 FERC ¶ 61,217 at P 183.

¹⁵⁵ *Id.* PP 184-185.

service on behalf of load with BTMG.¹⁵⁶ However, SPP'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.

81. Therefore, we preliminarily find that SPP'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.¹⁵⁷ SPP 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.

82. 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.¹⁵⁸ 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.¹⁵⁹ We are concerned that SPP'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.¹⁶⁰

¹⁵⁶ See PJM Co-Location Rehearing Order, 195 FERC ¶ 61,209 at P 400.

¹⁵⁷ See PJM Co-Location Order, 193 FERC ¶ 61,217 at P 159.

¹⁵⁸ *Id.* P 199.

¹⁵⁹ PJM Co-Location Rehearing Order, 195 FERC ¶ 61,209 at PP 101-103.

¹⁶⁰ 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

83. Therefore, we also preliminarily find that SPP'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. SPP 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, SPP 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.¹⁶¹

84. While we recognize that SPP's Tariff now provides CHILLS for HILLS, including HILLS with behind the meter generation, our concern regarding the lack of interim NITS that Eligible Customers may take on behalf of Eligible Load remains because CHILLS differs from the interim NITS that the Commission required in the PJM Co-Location Order. In response to this order, SPP may explain why CHILLS is sufficient to address our concerns regarding the lack of an interim NITS that Eligible Customers may take on behalf of Eligible Load, propose revisions to CHILLS, or propose other Tariff revisions. We further note that SPP's PALS proposal is currently under development in its stakeholder process, and we encourage SPP to consider whether PALS would address our concern that SPP's Tariff may be unjust and unreasonable because it does not include transmission services that reflect the use of the transmission system by Eligible Customers on behalf of flexible large load, on both a temporary and permanent basis.¹⁶²

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.”).

¹⁶¹ PJM Co-Location Rehearing Order, 195 FERC ¶ 61,209 at P 480.

¹⁶² *See supra* P 27.

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

85. 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 loads¹⁶³ can quickly and verifiably adjust their consumption in response to system conditions or price signals.¹⁶⁴ 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.¹⁶⁵ 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.¹⁶⁶

86. We preliminarily find that SPP'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

¹⁶³ For our purposes of this order, "flexible" large loads are a subset of HILLs that are not co-located with generation, but are willing and able to limit their energy withdrawals from the transmission system under certain conditions.

¹⁶⁴ 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.

¹⁶⁵ 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.

¹⁶⁶ 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.

available to Eligible Customers, including on behalf of flexible large loads, in SPP are NITS, firm and non-firm Point-to-Point Transmission Service, and CHILLS.¹⁶⁷ 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.¹⁶⁸ 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.¹⁶⁹ 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.¹⁷⁰ 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 timely interconnect flexible large loads.¹⁷¹ Entities in the SPP footprint acknowledge the importance of facilitating load flexibility.¹⁷²

¹⁶⁷ See *supra* P 22 (describing existing transmission services in SPP).

¹⁶⁸ See *supra* P 85.

¹⁶⁹ PJM Co-Location Order, 193 FERC ¶ 61,217 at P 199; PJM Co-Location Rehearing Order, 195 FERC ¶ 61,209 at P 103.

¹⁷⁰ See *supra* P 85; 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).

¹⁷¹ See *supra* P 85; 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).

¹⁷² See, e.g., Oklahoma State Entities December 5 ANOPR Comments at 3; State Entities November 21 ANOPR Comments at 8-9.

87. Therefore, we are concerned that SPP'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. SPP 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, SPP 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.¹⁷³

88. Similar to the discussion above, while SPP's Tariff now provides CHILLS for HILLS, our concern regarding the lack of interim NITS that Eligible Customers may take on behalf of flexible large loads remains because CHILLS differs from the interim NITS that the Commission required in the PJM Co-Location Order. In response to this order, SPP may explain why CHILLS is sufficient to address our concerns regarding the lack of interim NITS that Eligible Customers may take on behalf of flexible large loads, propose revisions to CHILLS, or propose other Tariff revisions. We also note that SPP's PALS proposal is currently under development in its stakeholder process, and we encourage SPP to consider whether PALS would address our concern that SPP's Tariff may be unjust and unreasonable because it does not include transmission services that reflect the use of the transmission system by Eligible Customers on behalf of flexible large load, on both a temporary and permanent basis.¹⁷⁴

E. Informational Report

89. 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

¹⁷³ PJM Co-Location Rehearing Order, 195 FERC ¶ 61,209 at P 480.

¹⁷⁴ *See supra* P 27.

growth is putting on resource adequacy in many regions.¹⁷⁵ 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.¹⁷⁶ We are concerned about whether SPP and load serving entities are planning adequate generation to serve all load at the pace such load seeks to connect.

90. We recognize that RTOs/ISOs are engaging in efforts to more rapidly interconnect generation that is needed to serve this unprecedented growth in load. In particular, SPP's HILLGA process and Expedited Resource Adequacy Study (ERAS) process provide generator interconnection customers the opportunity to be studied and interconnect to SPP's transmission system more quickly in order to help ensure load serving entities are able to meet resource adequacy requirements.¹⁷⁷ While we are encouraged by the implementation of such processes to ensure resource adequacy and faster interconnection, we remain concerned that these efforts may fall short in light of generator retirements and tightening supply conditions.

91. Accordingly, we direct SPP to submit in Docket No. EL26-68-000, 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 or, to the extent that SPP is not considering such proposals, providing information regarding how their existing processes, such as HILLGA and ERAS, are working. We also encourage new proposals to the extent necessary to address this concern. To the extent new proposals are being considered, the informational report must include a detailed schedule of key milestones, such as stakeholder or SPP Board votes, that includes the estimated date on which SPP expects to file any such proposals with the Commission.

¹⁷⁵ 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 Reply Comments at 7.

¹⁷⁶ 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.

¹⁷⁷ See SPP HILL Order, 194 FERC ¶ 61,031 at PP 64, 67; *Sw. Power Pool, Inc.*, 192 FERC ¶ 61,062, at PP 104, 156 (2025).

IV. Briefing Questions

92. 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 SPP and the 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.

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

94. Today's order preliminarily finds that SPP'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 Upgrade 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.

95. Today's order preliminarily finds that SPP'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 SPP 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.

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. EL26-68-000 as discussed in the body of this order.

(B) SPP and the 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) SPP 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. EL26-68-000 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 SPP's and the 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. EL26-68-000.

(G) The refund effective date in Docket No. EL26-68-000 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
Advancing Modern Powerlines Coalition
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
America's Power
American Chemistry Council
American Clean Power Association
American Conservation Coalition
American Council on Renewable Energy
American Electric Power Service Corporation¹⁷⁸
American Public Gas Association
American Public Power Association (APPA)
American Terawatt, Inc.
American Transmission Company LLC¹⁷⁹
Americans for a Clean Energy Grid
Antora Energy, Inc. (Antora)
Arevia Power
Arizona Public Service Company
Arkansas Public Service Commission (Arkansas Commission)
Attorney General of the State of Oklahoma
Base Power Company, Inc.

¹⁷⁸ 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.

¹⁷⁹ American Transmission Company LLC submitted comments on behalf of itself and its corporate manager ATC Management Inc.

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.
CTC Global Corporation
Data Center Coalition (DCC)
David Gardiner & Associates
Delaware Division of the Public Advocate
Digital Energy Council
Digital Power Network
Distributed Capacity Parties¹⁸⁰
Dr. Elisa Nelson
DTE Electric Company
Duke Energy Corporation
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 New England, LLC
Energy Trading Institute
ENGIE North America, Inc.
Entergy Services, LLC¹⁸¹

¹⁸⁰ Distributed Capacity Parties include: Cloverleaf Infrastructure; Spark Community Investment d/b/a Sparkfund; and Voltus, Inc.

¹⁸¹ Entergy Services, LLC submitted comments on behalf of the Entergy Operating Companies, which include Entergy Arkansas, LLC, Entergy Louisiana, LLC, Entergy

Environmental Law & Policy Center
Eolian L.P.
Equinix, Inc.
esVolta, LP
ETX Upstream, LLC
Eversource Energy¹⁸²
Exelon Corporation (Exelon)¹⁸³
Fervo Energy Company
FirstEnergy Service Company¹⁸⁴
Fluence
Front Door Technologies LLC
FuelCell Energy, Inc.
Georgia Public Service Commission
Geronimo Power, LLC (Geronimo)
Google LLC (Google)
Governors Josh Shapiro and Glenn Youngkin
GridCARE
GridStor LLC
Harvard Electricity Law Initiative
Helion Energy
Herbert Schrayschuen
Heron Power Electronics Company
Indiana Energy Association

Mississippi, LLC, Entergy New Orleans, LLC, and Entergy Texas, Inc.

¹⁸² Eversource Energy 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.

¹⁸³ 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.

¹⁸⁴ FirstEnergy 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.

Indicated PJM Transmission Owners¹⁸⁵
 Industrial Customer Organizations¹⁸⁶
 Information Technology Industry Council
 Infrastructure Masons, Inc. (Infrastructure Masons)
 Institute for Progress
 International Energy Credit Association
 Invenergy¹⁸⁷
 Iron Mountain Data Centers, LLC
 ISO New England, Inc.
 ITC Holdings Corp.
 Jason Miller, on behalf of VEIR Inc.
 Kansas Corporation Commission (Kansas Commission)

¹⁸⁵ PJM TOs 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.

¹⁸⁶ Industrial Customer Organizations include: The Industrial Energy Consumers of America, the American Forest & Paper Association, the PJM Industrial Customer Coalition, and the Coalition of MISO Transmission Customers.

¹⁸⁷ Invenergy includes: Invenergy Wind Development North America LLC, Invenergy Solar Development North America LLC, and Invenergy Thermal Development Holdings LLC.

L. Lynne Kiesling
L.M. Marlowe
Land Trust Alliance
Large Public Power Council
Lauren Hopkins
LEAN Energy US
Load Flexibility Parties¹⁸⁸
Long Island Power Authority
Longroad Energy Holdings, LLC
Louisiana Public Service Commission (together with the Mississippi Public Service Commission, Louisiana and Mississippi Commissions)
LS Power Development, LLC (LS Power)
Maine Office of the 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 Owners¹⁸⁹

¹⁸⁸ Load Flexibility Parties include: Enerwise Global Technologies, LLC d/b/a CPower, Enel North America, Inc., and Voltus, Inc.

¹⁸⁹ 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 Company; Otter Tail Power Company; Prairie Power, Inc.; Republic Transmission, LLC; Southern Illinois Power Cooperative; Southern Indiana Gas & Electric Company (d/b/a

Missouri Public Service Commission (Missouri Commission)
Monitoring Analytics, LLC, acting in its capacity as the Independent Market Monitor for
PJM

Nathan Peterson

National Association of Regulatory Utility Commissioners

National Association of State Utility Consumer Advocates

National Conference of State Legislatures (NCSL)

National Congress of American Indians

National Grid PLC (National Grid)¹⁹⁰

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

New England Consumer-Owned Systems¹⁹¹

New England Public Systems¹⁹²

New Mexico Public Regulation Commission

New York Independent System Operator, Inc.

New York State Department of State Utility Intervention Unit (NY UIU)

CenterPoint Energy Indiana South); Southern Minnesota Municipal Power Agency;
Wabash Valley Power Association, Inc.; and Wolverine Power Supply Cooperative, Inc.

¹⁹⁰ 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.

¹⁹¹ 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.

¹⁹² New England Public Systems include: Connecticut Municipal Electric Cooperative, Massachusetts Municipal Wholesale Electric Company, and Vermont Public Power Supply Authority.

New York Public Service Commission
New York State Reliability Council
New York Transmission Owners¹⁹³
North American Electric Reliability Corporation
North Carolina Utilities Commission
North Carolina Utilities Commission Public Staff
North Dakota Public Service Commission (North Dakota Commission)
Northeastern Rural Electric Membership Corporation
NRG Energy, Inc.
Office of the Illinois Attorney General
Office of the Ohio Consumers' Counsel (OCC)
Oklahoma Corporation Commission (together with Attorney General of the State of Oklahoma, Oklahoma State Entities)
Oklo Inc. (Oklo)
Old Dominion Electric Cooperative (ODEC)
Oncor Electric Delivery Company LLC
ON Energy Storage Inc.
OpenAI Inc.
Oracle America, Inc.
Organization of MISO States, Inc. (OMS)
Organization of PJM States, Inc.
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 Corporation¹⁹⁴
Prime Mover Institute

¹⁹³ 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.

¹⁹⁴ PPL Corporation submitted comments on behalf of the PPL Companies, which include PPL Electric Utilities Corporation, Louisville Gas & Electric Company and Kentucky Utilities, and The Narragansett Electric Company d/b/a Rhode Island Energy.

PSEG Companies¹⁹⁵
Public Citizen, Inc.
Public Interest Organizations (PIOs)¹⁹⁶
Public Utilities Commission of Ohio's Office of the Federal Energy Advocate
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)¹⁹⁷
Southern California Edison Company
Southern Companies¹⁹⁸
Southern Maryland Electric Cooperative, Inc.
Southwest Power Pool, Inc. (SPP)
Southwest Power Pool Transmission Owner Group (SPP TOs)¹⁹⁹

¹⁹⁵ 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.

¹⁹⁶ 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.

¹⁹⁷ 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.

¹⁹⁸ Southern Companies include: Georgia Power Company, Alabama Power Company, and Mississippi Power Company.

¹⁹⁹ SPP TOs include: 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.

Splight Inc. (Splight)
State Entities²⁰⁰
Steel Manufacturers Association
Switch, Ltd. (Switch)
Talen Energy Corporation
Terraflux LLC
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
U.S. Energy Storage Coalition
U.S. House of Representatives Committee on Energy and Commerce Ranking
Members²⁰¹
U.S. Representatives²⁰²
U.S. Senate Committee on Energy and Natural Resources
U.S. Senators²⁰³
U.S. Senator Jon Ossoff
Union of Concerned Scientists (UCS)
Vantage Data Centers (Vantage)
Verrus
Virginia State Corporation Commission

²⁰⁰ 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.

²⁰¹ Submitted by Frank Pallone, Jr. (Ranking Member) and Kathy Castor (Ranking Member, Subcommittee on Energy).

²⁰² The U.S. Representatives that submitted comments include: Suhas Subramanyam, John W. Mannion, Mike Quigley, and Donald S. Beyer Jr.

²⁰³ The U.S. Senators that submitted comments include: Edward J. Markey, Chris Van Hollen, Elizabeth Warren, Peter Welch, Raphael Warnock, Richard Blumenthal, and Adam B. Schiff.

Vistra Corp. (Vistra)
Washington Utilities and Transportation Commission
Working for Advanced Transmission Technologies Coalition
WIRES
Wisconsin Electric Company
Wisconsin Public Service Corporation

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Southwest Power Pool, Inc., AEP Oklahoma Transmission Company, Inc., AEP Southwestern Transmission Company, Inc., Deseret Generation & Transmission Co-operative, Inc., Empire District Electric Company, Evergy Kansas Central, Inc., Evergy Kansas South, Inc., Evergy Metro, Inc., Evergy Missouri West, Inc., GridLiance High Plains LLC, ITC Great Plains, LLC, Mountrail-Williams Electric Cooperative, NextEra Energy Transmission Southwest, LLC, NorthWestern Energy Public Service Corporation, Oklahoma Gas and Electric Company, Prairie Wind Transmission, LLC, Public Service Company of Oklahoma, Southwestern Electric Power Company, Southwestern Public Service Company, Transource Missouri, LLC, Transource Oklahoma, LLC, Tri-State Generation and Transmission Association, Inc., and Upper Missouri G. & T. Electric Cooperative, Inc.	Docket No.	EL26-68-000
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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

Southwest Power Pool, Inc., AEP Oklahoma
Transmission Company, Inc., AEP Southwestern
Transmission Company, Inc., Deseret Generation &
Transmission Co-operative, Inc., Empire District
Electric Company, Evergy Kansas Central, Inc., Evergy
Kansas South, Inc., Evergy Metro, Inc., Evergy Missouri
West, Inc., GridLiance High Plains LLC, ITC Great
Plains, LLC, Mountrail-Williams Electric Cooperative,
NextEra Energy Transmission Southwest, LLC,
NorthWestern Energy Public Service Corporation,
Oklahoma Gas and Electric Company, Prairie Wind
Transmission, LLC, Public Service Company of
Oklahoma, Southwestern Electric Power Company,
Southwestern Public Service Company, Transource
Missouri, LLC, Transource Oklahoma, LLC, Tri-State
Generation and Transmission Association, Inc., and
Upper Missouri G. & T. Electric Cooperative, Inc.

Docket No. EL26-68-000

(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

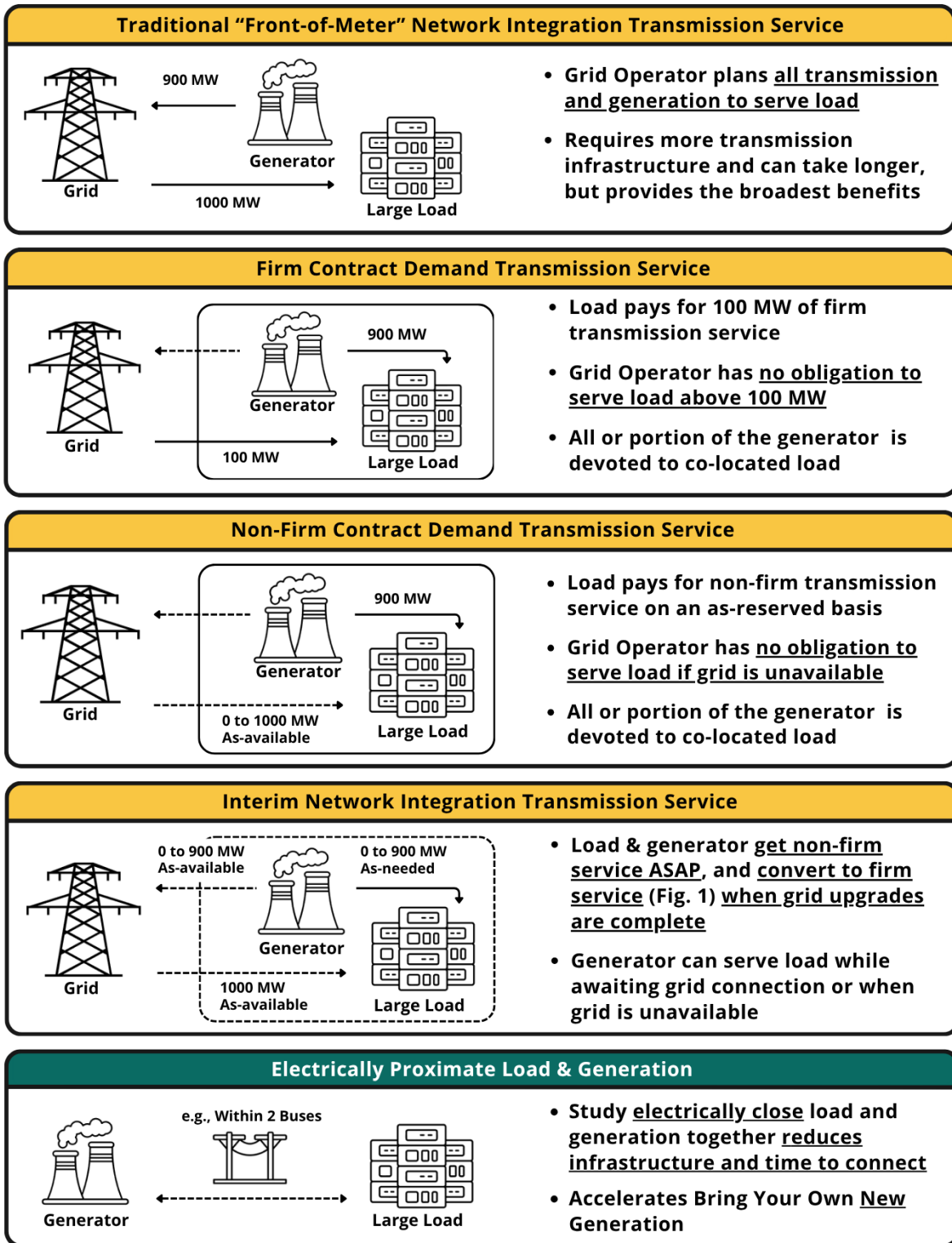


- Accelerate co-located and proximate loads
- Leverage advanced load flexibility
- Complete studies faster (60 to 90 days)



Figure 2

Large Load Interconnection: Transmission & Interconnection Service Innovation



UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Southwest Power Pool, Inc., AEP Oklahoma
Transmission Company, Inc., AEP Southwestern
Transmission Company, Inc., Deseret Generation &
Transmission Co-operative, Inc., Empire District
Electric Company, Evergy Kansas Central, Inc., Evergy
Kansas South, Inc., Evergy Metro, Inc., Evergy Missouri
West, Inc., GridLiance High Plains LLC, ITC Great
Plains, LLC, Mountrail-Williams Electric Cooperative,
NextEra Energy Transmission Southwest, LLC,
NorthWestern Energy Public Service Corporation,
Oklahoma Gas and Electric Company, Prairie Wind
Transmission, LLC, Public Service Company of
Oklahoma, Southwestern Electric Power Company,
Southwestern Public Service Company, Transource
Missouri, LLC, Transource Oklahoma, LLC, Tri-State
Generation and Transmission Association, Inc., and
Upper Missouri G. & T. Electric Cooperative, Inc.

Docket No. EL26-68-000

(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. In response, the orders strive to aid the States in their front-line affordability duties by

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

² 16 U.S.C. § 824(a).

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

Southwest Power Pool, Inc., AEP Oklahoma
Transmission Company, Inc., AEP Southwestern
Transmission Company, Inc., Deseret Generation &
Transmission Co-operative, Inc., Empire District
Electric Company, Evergy Kansas Central, Inc., Evergy
Kansas South, Inc., Evergy Metro, Inc., Evergy Missouri
West, Inc., GridLiance High Plains LLC, ITC Great
Plains, LLC, Mountrail-Williams Electric Cooperative,
NextEra Energy Transmission Southwest, LLC,
NorthWestern Energy Public Service Corporation,
Oklahoma Gas and Electric Company, Prairie Wind
Transmission, LLC, Public Service Company of
Oklahoma, Southwestern Electric Power Company,
Southwestern Public Service Company, Transource
Missouri, LLC, Transource Oklahoma, LLC, Tri-State
Generation and Transmission Association, Inc., and
Upper Missouri G. & T. Electric Cooperative, Inc.

Docket Nos. EL26-68-000

(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 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.

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.

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

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").

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

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

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).

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.

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

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).

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

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Kansas South, Inc., Evergy Metro, Inc., Evergy Missouri
West, Inc., GridLiance High Plains LLC, ITC Great
Plains, LLC, Mountrail-Williams Electric Cooperative,
NextEra Energy Transmission Southwest, LLC,
NorthWestern Energy Public Service Corporation,
Oklahoma Gas and Electric Company, Prairie Wind
Transmission, LLC, Public Service Company of
Oklahoma, Southwestern Electric Power Company,
Southwestern Public Service Company, Transource
Missouri, LLC, Transource Oklahoma, LLC, Tri-State
Generation and Transmission Association, Inc., and
Upper Missouri G. & T. Electric Cooperative, Inc.

Docket No. EL26-68-000

(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 SPP'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 SPP, 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 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

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).

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 SPP 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 SPP, may be unjust and unreasonable and/or unduly discriminatory or 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.

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.

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, SPP, 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 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

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).

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 SPP 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[.]”).