194 FERC ¶ 61,192
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 Nos. ER26-414-000
ER26-414-001

ORDER ACCEPTING TARIFF REVISIONS, SUBJECT TO CONDITION

(Issued March 13, 2026)

1. On November 3, 2025, as amended on January 12, 2026, pursuant to section 205 of the Federal Power Act (FPA)[1] and part 35 of the Commission's regulations,[2] Southwest Power Pool, Inc. (SPP) submitted proposed revisions to its Open Access Transmission Tariff (Tariff) to establish a Consolidated Planning Process (CPP) framework to streamline its regional transmission planning and generator interconnection processes.[3] As discussed below, we accept SPP's proposed Tariff revisions, effective March 1, 2026, as requested, subject to condition.

## I. Background

### A. Relevant Commission Rulemakings

#### 1. Order Nos. 890 and 1000 Transmission Planning and Cost Allocation Principles

2. The Commission issued Order No. 890 to address identified deficiencies in the *pro forma* Open Access Transmission Tariff.[4] Among other reforms, the Commission

[1] 16 U.S.C. § 824d.

[2] 18 C.F.R. pt. 35 (2025).

[3] See Appendix for Tariff records accepted in this order.

[4] *Preventing Undue Discrimination & Preference in Transmission Serv.*, Order No. 890, 118 FERC ¶ 61,119, *order on reh'g*, Order No. 890-A, 121 FERC ¶ 61,297 (2007), *order on reh'g*, Order No. 890-B, 123 FERC ¶ 61,299 (2008), *order on reh'g*,

required all public utility transmission providers' local transmission planning processes to satisfy nine transmission planning principles, including: (1) coordination; (2) openness; (3) transparency; (4) information exchange; (5) comparability; (6) dispute resolution; (7) regional participation; (8) economic planning studies; and (9) cost allocation for new projects.

3. In Order No. 1000, the Commission included reforms intended to ensure that the transmission planning and cost allocation requirements embodied in the *pro forma* Open Access Transmission Tariff could support the development of more efficient or cost-effective transmission facilities.[5] The reforms in Order No. 1000 included: (1) regional transmission planning; (2) transmission needs driven by public policy requirements; (3) nonincumbent transmission developer reforms; (4) regional and interregional cost allocation, including a set of principles for each category of cost allocation; and (5) interregional transmission coordination.[6] Relevant here, the Commission required each public utility transmission provider to participate in a regional transmission planning process that complied with seven of the nine Order No. 890 transmission planning principles.[7] Moreover, the Commission required public utility transmission providers to amend their tariffs to describe procedures that provide for the consideration of transmission needs driven by public policy requirements in their regional transmission planning processes.[8] The Commission also required each public utility transmission

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Order No. 890-C, 126 FERC ¶ 61,228, *order on clarification*, Order No. 890-D, 129 FERC ¶ 61,126 (2009).

[5] *Transmission Planning & Cost Allocation by Transmission Owning & Operating Pub. Utils*., Order No. 1000, 136 FERC ¶ 61,051, at P 3 (2011), *order on reh'g*, Order No. 1000-A, 139 FERC ¶ 61,132, *order on reh'g & clarification*, Order No. 1000-B, 141 FERC ¶ 61,044 (2012), *aff'd sub nom. S.C. Pub. Serv. Auth. v. FERC*, 762 F.3d 41 (D.C. Cir. 2014).

[6] Order No. 1000, 136 FERC ¶ 61,051 at P 12.

[7] *Id.* PP 146, 150-151. These seven principles are (1) coordination; (2) openness; (3) transparency; (4) information exchange; (5) comparability; (6) dispute resolution; and (7) economic planning. The Commission excluded the regional participation and cost allocation Order No. 890 transmission planning principles because it "address[ed] interregional transmission coordination and cost allocation for transmission facilities selected in a regional transmission plan for purposes of cost allocation elsewhere in [the] Final Rule." *Id.* P 151 n.141.

[8] *Id.* P 203. In Order No. 1000, the Commission defined Public Policy Requirements as requirements established by local, state, or federal laws or regulations (i.e., enacted statutes passed by the legislature and signed by the executive and

provider to have in its tariff a method, or set of methods, for allocating the costs of any new transmission facility selected in the regional transmission plan for purposes of cost allocation.[9]

### 2. Order Nos. 2003 and 2023 Generator Interconnection Procedures

4. Under the Commission's pricing policy for interconnection-related network upgrades adopted in the Order No. 2003 *pro forma* large generator interconnection agreement, the costs of network upgrades that would not be needed but for the interconnection (i.e., "but for" costs) are funded initially by the interconnection customer as construction costs are incurred, unless the transmission provider elects to fund the construction itself.[10] When the interconnection customer initially funds the network

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regulations promulgated by a relevant jurisdiction, whether within a state or at the federal level). *Id.* P 2. In Order No. 1000-A, the Commission clarified that public policy requirements include local laws and regulations passed by a local governmental entity, such as a municipal or county government. Order No. 1000-A, 139 FERC ¶ 61,132 at 319.

[9] Order No. 1000, 136 FERC ¶ 61,051 at PP 558, 690. In Order No. 1000, the Commission required each public utility transmission provider to demonstrate that its regional cost allocation method satisfies six regional cost allocation principles. *Id.* P 603. Cost Allocation Principle 1 requires that the cost of transmission facilities be allocated in a manner that is at least roughly commensurate with the estimated benefits. *Id.* P 622. Cost Allocation Principle 2 requires that those that receive no benefit from transmission facilities, either at present or in a likely future scenario, not be involuntarily allocated any of the costs of those transmission facilities. *Id.* P 637. Cost Allocation Principle 3 requires that, if a benefit-to-cost ratio is used, it cannot exceed 1.25 to 1. *Id.* P 646. Cost Allocation Principle 4 requires that costs of a transmission facility selected in a regional transmission plan be allocated solely within the transmission planning region. *Id.* P 657. Cost Allocation Principle 5 requires that the cost allocation method and data requirements for determining benefits and identifying beneficiaries for a transmission facility must be transparent, with adequate documentation to allow a stakeholder to determine how they were applied to a proposed transmission facility. *Id.* P 668. Cost Allocation Principle 6 specifies that a transmission planning region may have a different cost allocation method for different types of transmission facilities, but there can be only one cost allocation method for each type and there cannot be a type of transmission facility that has no regional cost allocation method applied to it. *Id.* P 685.

[10] *Standardization of Generator Interconnection Agreements & Procs.*, Order No. 2003, 104 FERC ¶ 61,103, at PP 21, 22 (2003), *order on reh'g*, Order No. 2003-A, 106 FERC ¶ 61,220, *order on reh'g*, Order No. 2003-B, 109 FERC ¶ 61,287 (2004),

upgrades, the interconnection customer is then entitled to reimbursement of the network upgrade costs with interest through credits against the charges at the rolled-in rates for transmission service taken to deliver the output of the generator, subject to full reimbursement within 20 years, and the costs of the network upgrades are included in the transmission owner's rolled-in transmission rates as the transmission owner reimburses the interconnection customer.[11]

5. Additionally, in Order No. 2003, the Commission allowed an independent transmission provider (i.e., regional transmission organization (RTO) and independent system operator (ISO)) flexibility to propose alternative interconnection pricing mechanisms, subject to Commission approval, under the independent entity variation standard.[12] Specifically, an RTO/ISO could propose to require the interconnection customer to participant fund network upgrades (i.e., to directly assign network upgrade costs to the interconnection customer) in addition to charging the interconnection customer the rolled-in transmission rate, only where well-defined rights to capacity made available by such network upgrades are provided to the interconnection customer.[13] As relevant here, the Commission has approved the use of participant funding for interconnection-related network upgrades in SPP, with interconnection customers eligible to receive incremental long-term congestion rights (ILTCR)[14] as compensation.[15]

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*order on reh'g*, Order No. 2003-C, 111 FERC ¶ 61,401 (2005), *aff'd sub nom. Nat'l Ass'n of Regul. Util. Comm'rs v. FERC*, 475 F.3d 1277 (D.C. Cir. 2007).

[11] Order No. 2003, 104 FERC ¶ 61,103 at P 694.

[12] *Id*. P 698.

[13] *Id*. PP 699-700.

[14] An ILTCR is an instrument that entitles an upgrade sponsor or a Joint Targeted Interconnection Queue (JTIQ) generator interconnection customer to a transmission congestion right that results from the incremental available transfer capability created from the upgrade, which is awarded during SPP's annual ILTCR allocation process. SPP, Tariff, pt.1, I (Definitions) (4.0.1).

[15] *See Sw. Power Pool, Inc.*, 122 FERC ¶ 61,060, at P 30 (2008) (accepting as consistent with participant funding and the Commission's interconnection pricing policy SPP's proposal to provide interconnection customers with reimbursement for funding network upgrades); *Sw. Power Pool, Inc.*, 152 FERC ¶ 61,034, at P 48 (2015) (accepting SPP's proposal to award ILTCRs for transmission upgrades to any party that funds those transmission upgrades).

6. In Order No. 2023, the Commission required all public utility transmission providers to revise their standard generator interconnection procedures and agreements to ensure that interconnection customers are able to interconnect to the transmission system in a reliable, efficient, transparent, and timely manner, and to prevent undue discrimination.[16] In Order No. 2023, the Commission adopted a comprehensive package of reforms in three general categories: (1) reforms to implement a first-ready, first-served cluster study process; (2) reforms to increase the speed of interconnection queue processing; and (3) reforms to incorporate technological advancements into the interconnection process.

### B. SPP's Transmission Planning and Generator Interconnection Processes

7. SPP plans and manages the expansion of its transmission system to satisfy reliability, economic, and public policy needs through the Integrated Transmission Planning (ITP) process under Attachment O of its Tariff. SPP conducts an annual ITP Assessment that reviews the transmission system for a 10-year planning horizon, identifies solutions to meet identified criteria, and assesses the cost-effectiveness of proposed solutions.[17] At the conclusion of the process, SPP prepares the annual ITP Assessment report, which includes a list of the proposed transmission projects for review and approval, as well as an explanation of which transmission needs driven by public policy requirements were evaluated for potential solutions and why other transmission needs driven by public policy requirements were not evaluated.

8. SPP allocates the costs of ITP upgrades that are approved for construction by the SPP Board of Directors based on SPP's Highway/Byway cost allocation method.[18] Under this method, SPP allocates the costs of transmission facilities selected in SPP's transmission planning processes (base plan upgrades)[19] to transmission customers in

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[16] *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).

[17] SPP, Tariff, attach. O, § III (ITP Assessment) (14.0.0), § III.2 (Preparation of the Integrated Transmission Planning Assessment).

[18] *Id.*, attach. J, § III (Base Plan Upgrades) (21.0.0).

[19] A base plan upgrade refers to an upgrade "included in and constructed pursuant to the SPP Transmission Expansion Plan in order to ensure the reliability of the Transmission System" and includes upgrades required for new or changed designated resources, upgrades due to retirement of a resource, and upgrades approved as part of SPP's ITP. *Id.*, pt. I, § 1 B (Definitions B) (8.1.0), Base Plan Upgrade.

individual SPP pricing zones, subregions, the entire SPP region, or a combination thereof, based on the voltage level and location of the specific facility.[20] 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 located;[21] and (3) for facilities at 100 kV or below, SPP allocates all costs to the zone where the facilities are located.

9. In addition to the ITP, SPP is required to perform a 20-Year Assessment at least once every five years with the objective of developing a long-range extra high voltage (300 kV and above) (EHV) transmission road map for the SPP region.[22] The 20-Year Assessment produces an informational report of possible transmission upgrades that may be used in future planning studies by looking at a longer planning horizon.

10. In contrast, through SPP's generator interconnection process, SPP studies specific interconnection requests for proposed generating facilities to determine their impacts on the existing transmission system, including identifying any interconnection-related network upgrades and interconnection facilities that are required to interconnect the generating facility reliably.[23] Under SPP's existing generator interconnection procedures (GIP) contained in Attachment V of its Tariff, interconnection customers submit interconnection requests during an annual 11-month open window. SPP conducts a three-stage Definitive Interconnection System Impact Study (DISIS): (1) DISIS Phase One, which involves a cluster study consisting of a steady-state thermal and voltage

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[20] *Id.*, attach. J, § III (21.0.0); *Sw. Power Pool, Inc.*, 193 FERC ¶ 61,244 (2025).

[21] The Commission accepted SPP's proposal to modify the cost allocation for future Byway facilities under Schedule 11 of the Tariff by replacing the zonal allocation under the Highway/Byway cost allocation method with a Subregional allocation. *Sw. Power Pool, Inc.*, 193 FERC ¶ 61,244.

[22] SPP, Tariff, attach. O, § IV (Other Planning Studies) (11.0.0), § IV.2(a) (20-Year Assessments).

[23] Interconnection facilities include all facilities and equipment located between the interconnection customer's generating facility and the point of interconnection, including any modifications, additions, or upgrades that are necessary to physically and electrically interconnect the generating facility to the transmission system. Network upgrades are additions, modifications, and upgrades to the transmission system required at or beyond the point at which the interconnection facilities connect to the transmission system to accommodate the interconnection of the generating facility. *Id.*, attach. V, § 1 (Definitions) (21.0.1).

analysis; (2) DISIS Phase Two, which involves a cluster study consisting of a steady-state thermal and voltage analysis and a transient and dynamic stability and short-circuit analysis; and (3) the interconnection facilities study, consisting of a refresh of the cluster analysis followed by an individual facilities study.[24] DISIS Phases One and Two are each followed by a decision point, which provides interconnection customers with opportunities to evaluate study results and decide whether to proceed with or withdraw their interconnection requests, including posting financial security to continue. Interconnection customers are allocated the cost of system network upgrades necessary for interconnection of their generating facilities, based on a proportional impact analysis,[25] and may elect to receive ILTCRs as compensation. Interconnection customers are also directly assigned the cost of any necessary interconnection facilities identified in the study process.

## II. Filing

### A. Need for CPP

11. SPP explains that its region is experiencing historic load growth and challenges interconnecting generation and load in a timely manner, with fewer generation resources and transmission facilities being built than needed to serve the future needs of the region.[26] SPP states that the primary causes of delays in its generator interconnection process appear to be cost and timing uncertainty and, relatedly, the significant costs associated with interconnection-related network upgrades that leads to high rates of withdrawal and slower interconnection.[27] SPP explains that there is currently no meaningful signal or requirement for developers to locate generating facilities in optimal locations from a transmission capability perspective, leading to submission of multiple interconnection requests to identify optimal locations and resulting in disruptive withdrawals from the interconnection queue. Furthermore, SPP contends that separate, parallel processes for regional transmission planning and generator interconnection can lead to suboptimal transmission and cost allocation outcomes.[28] SPP also argues that these separate processes create an incentive to avoid being the first to cause the need for a

[24] *Id.*, attach. V, § 8 (Definitive Planning Phase) (26.0.0).

[25] *Id.*, attach. V, § 4 (Interconnection Request Evaluation Process) (13.0.0), § 4.2.2 (Cost Allocation for Interconnection Facilities and Network Upgrades).

[26] Transmittal at 15-16.

[27] *Id*. at 17-18.

[28] *Id*. at 18-19, 43; SPP, Filing, Ex. SPP-0001 (Testimony of Casey Cathey) at 20-23 (Cathey Test.).

network upgrade, which can lead to transmission costs being allocated in a way that does not fully capture all intended beneficiaries, as well as result in load and generation independently funding suboptimal network upgrades.

12. SPP states that as load growth outpaces transmission infrastructure and new generator interconnections, these inefficiencies have the potential to contribute to resource adequacy and reliability risks for the entire SPP region.[29] SPP also argues that the piecemeal build-out of the transmission system, as opposed to a holistic approach that proactively plans for the transmission needs of load and generation, can have a compounding effect on transmission rates, ultimately resulting in higher future costs for load.

### B. CPP Proposal

13. SPP explains that it developed the proposed CPP framework as an innovative approach to regional transmission planning and generator interconnection to meet the aforementioned challenges.[30] SPP explains that the CPP will combine SPP's regional transmission planning and generator interconnection processes into a consolidated, holistic assessment of regional transmission needs to plan for and benefit both load and interconnection customers through the development of a robust regional transmission system to serve combined load and generation needs.[31] SPP contends that, by streamlining the regional transmission planning and generator interconnection processes under a unified framework, its proposed CPP framework will ensure that the "right" transmission upgrades are built at the "right" time and costs are shared based on the benefits provided by the solutions that emerge from the transmission planning process.[32] SPP states that the proposed CPP framework is the product of collaborative efforts by SPP, its Board of Directors, SPP Regional State Committee, and stakeholders and notes that the CPP proposal was unanimously approved by multiple SPP stakeholder working groups as well as the SPP Regional State Committee.[33]

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[29] Transmittal at 19-20.

[30] *Id*. at 2-3.

[31] *Id*. at 2-3, 20-21.

[32] *Id*. at 20.

[33] *Id.*; Cathey Test. at 35-36.

14. To implement the proposed CPP framework, SPP proposes revisions to its Tariff to combine SPP's regional transmission planning and generator interconnection processes into a single, integrated process under a new Attachment AY of its Tariff.[34] SPP's proposed Attachment AY provides an overview of the CPP and relevant definitions, outlines roles and responsibilities, and contains both the CPP Transmission Assessment Procedures and Generator Connection Procedures (GCP).[35]

15. SPP explains that the CPP will consist of a series of transmission assessments conducted over a three-year CPP planning cycle, in which SPP will evaluate the transmission system's long-term performance in recognition of regional transmission planning and future generation needs.[36] The CPP will consist of two forward-looking planning assessments, a 20-Year Assessment (CPP-20) and 10-Year Assessment (CPP-10). SPP explains that the CPP-20 will be used to determine the generalized rates for interconnection development contribution (GRID-C) and planned interconnection locations (PIL) for the CPP planning cycle, two key CPP features. SPP explains that the Interconnection Cluster Study (ICS) will be performed as part of the annual CPP-10, and the outcomes of the ICS will be considered in the regional planning assessment phase of the CPP-10, which will recommend transmission system upgrades for inclusion in the regional transmission plan for construction. As discussed further below, the proposed GCP Attachment AY, section V contains provisions regarding the ICS process, including *pro forma* study agreements and *pro forma* generator interconnection agreements (GIA) in appendices.[37]

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[34] SPP states that once the 20-Year Assessment, ITP, and DISIS sunset, they will be removed from the SPP Tariff. Transmittal at 78, n.280.

[35] *Id*. at 78-79; SPP, Proposed Tariff, attach. AY (CPP) (0.0.0).

[36] Transmittal at 21-23; SPP, Filing, Ex. SPP-0002 (Testimony of Sarmad Raheem) at 4 (Raheem Test.) (citing SPP, Proposed Tariff, attach. AY, § I (Overview of the Consolidated Planning Process) (0.0.0)).

[37] SPP, Proposed Tariff, attach. AY, § V (Generator Connection Procedures) (0.0.0); *id.*, app. 1 (Two-Party Affected System Study Agreement) (0.0.0); *id*., app. 2 (Multi-Party Affected System Study Agreement) (0.0.0); *id*., app. 3 (Consolidated Planning Process Generator Interconnection Study Agreement) (0.0.0); *id*., app. 4 (Compensation Agreement for Interconnection Customer with CPP Generator Interconnection Agreement) (0.0.0); *id*., app. 6 (CPP Generator Interconnection Agreement (CPP GIA)) (0.0.0); *id*., app. 7 (Interconnection Procedures for a Wind Generating Plant) (0.0.0); *id*., app. 9 (Certification Codes and Standards) (0.0.0); *id*., app. 12 (Consent for Assignment of CPP GIA) (0.0.0); *id.*, app. 13 (CPP Generator Interconnection Agreement (For use when Western-UGP is a Party to the CPP GIA, as the Transmission Owner)) (0.0.0); *id.*, app. 18 (Multi-Party Affected System Facilities

16. SPP also proposes modifications to several existing Tariff sections to transition to the CPP framework, including Attachments J (Recovery of Cost Associated with New Facilities), L (Treatment of Revenues), O (Transmission Planning Process), V (GIP), and AQ (Delivery Point Assessment Process), as well as Schedule 11 (Base Plan Zonal Charge). In addition, SPP proposes revisions to definitions contained in Part I (Common Service Provisions) of its Tariff and to incorporate the CPP into sections 25 (Compensation for Transmission Services) and 34 (Rates and Charges) of the Tariff.

17. SPP requests an effective date of March 1, 2026, for the proposed Tariff revisions.[38]

### C. CPP Benefits

18. SPP states that the CPP is expected to provide wide and broad benefits to load, interconnection customers, other stakeholders, and the entire SPP community.[39] Among the specific benefits, SPP identifies reliability benefits through coordinated and timely investment in multi-value transmission upgrades that will enhance the transmission system's ability to support both existing and future load reliably, especially under scenarios with high demand growth and resource addition. SPP also states that the CPP framework creates predictable, equitable cost allocation for interconnection customers, enabling improved financial planning and siting – particularly in regions where existing infrastructure is limited or absent. SPP also asserts that the CPP will enable proactive planning that will support more efficient and cost-effective transmission upgrades, reducing long-term congestion and overall system costs and facilitating cost-effective generation siting. As for transmission planning, SPP states that the CPP is expected to reduce planning process costs by more than $3 million annually, while creating more equitable cost sharing for transmission upgrades, increasing economic benefits, opening new markets for energy, and enhancing reliability and grid resiliency.

19. Among the benefits to load, SPP states that the CPP aims to support continued regional economic growth and development through increased regional investment.[40] With more energy and capacity interconnecting in a timelier manner, SPP explains, load is likely to see benefits through reduced overall energy prices, while maintaining resource

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Construction Agreement) (0.0.0). SPP proposed to also include appendices 5, 8, 10, 11, 14, 15, and 16 as reserved for future use to accommodate the CPP GIA process. SPP Transmittal at 101.

[38] Transmittal at 2.

[39] *Id.* at 41-42.

[40] *Id.* at 42-43.

adequacy margins and reducing the risk of reliability events. SPP also states that load will benefit from the CPP's optimization of transmission solutions that minimize or prevent the risks from piecemeal transmission system build-out.

20. SPP also points to benefits from the CPP that are shared by both load and interconnection customers.[41] In particular, SPP states that process efficiencies from combining transmission planning and generator interconnection will allow SPP to redirect resources to technical analysis and stakeholder collaboration, improving overall process quality and enhancing the transparency and inclusiveness of SPP's planning process. SPP states that more efficient transmission buildouts that serve multiple purposes will reduce overall system costs and minimize the risk of stranded or underutilized assets. SPP also argues that the states within its footprint will see significant economic and competitive opportunities because the CPP is designed to facilitate the interconnection of large and new types of loads to the SPP transmission system through a more robust transmission system and the interconnection of an increasing pool of available generation to serve those new loads.

## III. Notice of Filings and Responsive Pleadings

21. Notice of SPP's filing was published in the *Federal Register*, 90 Fed. Reg. 53279 (Nov. 25, 2025), with interventions and protests due on or before November 24, 2025.

22. A notice of intervention was filed by Louisiana Public Service Commission. Timely motions to intervene were filed by: Advanced Energy United; American Clean Power Association and Advanced Power Alliance (APA); American Electric Power Service Corporation, on behalf of its affiliates Public Service Company of Oklahoma, Southwestern Electric Power Company, AEP Oklahoma Transmission Company, Inc., and AEP Southwestern Transmission Company, Inc.; Arevon Energy, Inc.; Calpine Corporation; City Utilities of Springfield, Missouri; EDF Power Solutions, Inc.; Evergy Kansas Central, Inc., Evergy Metro, Inc., and Evergy Missouri West, Inc. (collectively, the Evergy Companies); Geronimo Power, LLC; ITC Great Plains, LLC (ITC Great Plains); Kansas Electric Power Cooperative, Inc.; Kansas Municipal Energy Agency; KPP Energy; Nebraska Public Power District; NextEra Energy Resources, LLC; Northeast Texas Electric Cooperative and East Texas Electric Cooperative, Inc.; Oklahoma Gas and Electric Company; Omaha Public Power District; Savion, LLC (Savion); Sierra Club; Solar Energy Industries Association (SEIA); Sunflower Electric Power Corporation; Sustainable FERC Project and Natural Resources Defense Council; Tri-State Generation and Transmission Association, Inc.; Western Area Power Administration; Western Farmers Electric Cooperative; and Xcel Energy Services Inc., on behalf of its affiliate Southwestern Public Service Company.

[41] *Id.* at 45.

23. Comments were timely filed by: Advanced Energy United; American Clean Power Association; ITC Great Plains; Public Interest Organizations (PIO);[42] SEIA; and Southwest Power Pool Transmission Owner Group (SPP TO Group).[43] APA timely filed a protest.

24. On December 8, 2025, Savion filed a motion for leave to protest out-of-time, protest, motion for leave to answer, and answer to the comments (Savion December 8 Protest). On December 9, 2025, SPP filed a motion for leave to answer and answer in response to the comments and APA's protest.

25. On December 11, 2025, Basin Electric Power Cooperative (Basin Electric) filed a motion to intervene out-of-time.

26. On December 18, 2025, SPP filed a motion for leave to answer and answer to the Savion December 8 Protest. On December 19, 2025, the SPP TO Group filed a motion for leave to answer and answer to the Savion December 8 Protest.

27. On December 23, 2025, a deficiency letter was issued informing SPP that its filing was deficient and that additional information was necessary to process its filing (Deficiency Letter).[44] On January 12, 2026, SPP filed a response to the Deficiency Letter (Deficiency Response).[45]

28. Notice of SPP's Deficiency Response was published in the *Federal Register*, 91 Fed. Reg. 2343 (Jan. 20, 2026), with interventions and protests due on or before January 26, 2026.

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[42] PIOs consist of Natural Resources Defense Council, Sierra Club, and Sustainable FERC Project.

[43] SPP TO Group consists of American Electric Power Service Corporation, the Evergy Companies, Oklahoma Gas and Electric Company, and Xcel Energy Services Inc. on behalf of Southwestern Public Service Company.

[44] *Sw. Power Pool, Inc.*, Docket No. ER26-414-000 (Dec. 23, 2025) (Deficiency Letter).

[45] In its Deficiency Response, SPP requested a shortened comment period and waiver of the 60-day prior notice requirement. On January 16, 2026, SPP TO Group filed an answer in support of SPP's request for shortened comment period and waiver of the 60-day prior notice requirement.

29. APA and PIOs filed timely comments in response to SPP's Deficiency Response. Savion filed a timely protest in response to SPP's Deficiency Response (Savion January 26 Protest).

30. On January 29, 2026, SPP filed a motion for leave to answer and answer to the Savion January 26 Protest.

## IV. Discussion

### A. Procedural Matters

31. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2025), the notice of intervention and timely, unopposed motions to intervene serve to make the entities that filed them parties to the proceeding.

32. Pursuant to Rule 214(d) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214(d), we grant Basin Electric's late-filed motion to intervene given its interest in the proceeding, the early stage of the proceeding, and the absence of undue prejudice or delay.

33. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2025), prohibits an answer to a protest or answer unless otherwise ordered by the decisional authority. We accept Savion's, SPP's, and SPP TO Group's answers because they have provided information that assisted us in our decision-making process.

### B. Substantive Matters

34. We find SPP's CPP proposal to be just and reasonable and not unduly discriminatory or preferential. Moreover, we find that SPP continues to comply with the regional transmission planning and cost allocation requirements of Order No. 1000. We also find that SPP's proposed GCP satisfies the independent entity variation standard for deviations from the requirements of Order No. 2003 and the Commission's subsequent final rules on generator interconnection. Accordingly, we accept SPP's proposed Tariff revisions, effective March 1, 2026, as requested, subject to condition, and direct SPP to submit a compliance filing within 30 days of the date of this order, as discussed further below.[46]

[46] *See NRG Power Mktg., LLC v. FERC*, 862 F.3d 108, at 114-15 (D.C. Cir. 2017) (discussing the Commission's authority to propose modifications to a utility's FPA section 205 rate proposal).

35. We generally limit our discussion and findings below to aspects of SPP's proposal that are contested. We find that the other aspects of SPP's proposed CPP that are not contested and not specifically discussed herein are just and reasonable and not unduly discriminatory or preferential.

### 1. CPP Framework

#### a. SPP Proposal

36. Under the proposed CPP framework, SPP will conduct a CPP-20 transmission assessment, which will assess long-term transmission system needs over a 20-year planning horizon, with a focus on both EHV (i.e., 300 kV and above) and high voltage (HV) (i.e., above 100 kV and below 300 kV) facilities, and a CPP-10 transmission assessment, which will address needs over a 10-year planning horizon, in the first year of the planning cycle. SPP will also perform annual CPP-10 transmission assessments in the second and third years of each planning cycle.[47] SPP proposes to add Attachment AY, section IV (Transmission Assessment) to its Tariff to contain its Transmission Assessment Procedures for both the CPP-10 and CPP-20.[48]

##### i. Transmission Assessment Procedures

37. Upon commencement of each transmission assessment,[49] SPP will post the proposed study schedules and details of the study processes on SPP's website.[50] Under SPP's proposed Transmission Assessment Procedures, SPP, in consultation

[47] Transmittal at 21-23. In the first year of each planning cycle, the CPP-20 and CPP-10 will be conducted simultaneously.

[48] SPP, Proposed Tariff, attach. AY, § IV (The Transmission Assessment Procedures) (0.0.0).

[49] The term "transmission assessment" refers to either the CPP-20 or CPP-10. *Id*., attach. AY, § II (Definitions) (0.0.0).

[50] *Id*., attach. AY, § IV.1 (Transmission Assessment) (0.0.0), § IV.1.1 (Preparation for the Transmission Assessment).

with stakeholders and in accordance with the CPP Manual,[51] will develop the scope for each transmission assessment, which will be published on SPP's website.[52]

38. SPP's proposed Tariff provides that the transmission assessment scope and CPP Manual will specify the method, criteria, assumptions, and data to be used, including how transmission needs will be identified and how inputs will be incorporated, as well as an explanation of which public policy requirements will be evaluated for potential solutions.[53] Further, proposed Attachment AY, section IV.1.2.1 identifies the seven factors that SPP will consider in each transmission assessment and requires SPP to publish certain information regarding the use of such factors in its futures.[54] More specifically, in publishing the CPP Manual and/or the transmission assessment scope, SPP must identify: (1) which of the seven factors are included in which future; (2) a description of each factor; (3) an explanation of how each factor is accounted for in each future; (4) a description of any discounting used for factors four through seven; and (5) the list of factors it considered but did not incorporate into its futures.[55] In addition to the seven factors, SPP's proposed Tariff states that SPP will incorporate, as appropriate, additional requirements into its transmission assessments that are

[51] The CPP Manual is a "business practice manual developed and maintained in coordination with stakeholders" that "details the processes, procedures, methodology, criteria, assumptions and data associated with the [CPP]" and is posted on SPP's website. *Id*., attach. AY, § II (0.0.0).

[52] Transmittal at 82.

[53] SPP, Proposed Tariff, attach. AY, § IV.1 (0.0.0), § IV.1.2 (Transmission Assessment Scope Development).

[54] Proposed Attachment AY, section IV.1.2.1 requires that the following factors must be considered in each transmission assessment: (1) federal, federally recognized Tribal, state, and local laws and regulations affecting the resource mix and demand; (2) federal, federally recognized Tribal, state, and local laws and regulations on decarbonization and electrification; (3) state-approved integrated resource plans and expected supply obligations for load-serving entities; (4) trends in fuel costs and in the cost, performance, and availability of generation, electric storage resources, and building and transportation electrification technologies; (5) resource retirements; (6) interconnection requests and withdrawals as considered for PILs; and (7) federal, federally recognized Tribal, state, and local policy goals that affect transmission needs over a 20-year horizon. *Id*., attach. AY, § IV.1 (0.0.0), § IV.1.2.1 (Future Development).

[55] *Id*., attach. AY, § IV.1 (0.0.0), IV.1.2.1.

currently contained in Attachment O, section I.[56] Additionally, SPP's proposed Tariff provides that each transmission assessment will include long-term capacity forecasts and incorporate generation and demand response resources that can be relied upon for planning purposes.[57]

39. To further develop transmission system planning models, proposed Attachment AY, section IV.1.3 provides for coordination between each transmission assessment and information from other studies.[58] SPP also details the procedures for stakeholders to submit detailed project proposals in response to the CPP transmission assessments in proposed Attachment AY, section IV.1.6.[59] SPP explains that the project proposal provisions in sections IV.1.6, and IV.1.7 are generally identical to existing ITP provisions contained in Attachment O.[60] Detailed project proposals must include descriptions of the project, the identified need, modeling and data identified by SPP, results of economic and reliability modeling analyses, if available, and any other supporting documentation.[61]

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[56] Specifically, these additional requirements include: (1) North American Electric Reliability Corporation (NERC) reliability standards; (2) SPP criteria; (3) zonal planning criteria; (4) transmission projects previously approved through Attachment O and Attachment AY processes; (5) approved zonal reliability upgrades developed by transmission owners under Attachment O; (6) long-term firm transmission service commitments; (7) load forecasts, including demand management impacts; (8) existing and planned demand response resources; (9) congestion analysis within SPP and between regions; (10) public policy requirements identified through stakeholder surveys; (11) additional public policy requirements; (12) operational experience and market performance data; (13) persistent operational issues; and (14) other input requirements. *Id*., attach. AY, § IV.1 (0.0.0), § IV.1.2.2 (Policy, Reliability, and Economic Input Requirements).

[57] *Id*., attach. AY, § IV.1 (0.0.0), § IV.1.2.3 (Generation and Demand Response Considerations).

[58] *Id*., attach. AY, § IV.1 (0.0.0), § IV.1.3 (Additional Information from Other Studies).

[59] *Id*., attach. AY, § IV.1 (0.0.0), § IV.1.6 (Transmission Solution Evaluation Process Including Detailed Project Proposals).

[60] Transmittal at 81, 84.

[61] SPP, Proposed Tariff, attach. AY, § IV.1 (0.0.0), § IV.1.6.1 (Minimum Information Requirements for DPP Submissions).

40. Proposed Attachment AY, section IV.1.7 specifies the process by which detailed project proposals will then be analyzed.[62] Specifically, SPP will conduct the requisite studies needed to analyze potential solutions to address the final transmission assessment study scope, including needs driven by asset age and condition, zonal planning criteria, local planning criteria, and alternatives to transmission solutions.[63] As part of its transmission project selection process, SPP also proposes to evaluate expected benefits and cost effectiveness of proposed solutions.[64] The benefits included in SPP's evaluation will include: (1) avoided or deferred reliability transmission facilities and aging infrastructure replacement; (2) reduced loss of load probability or reduced planning reserve margin; (3) production cost savings; (4) reduced transmission energy losses; (5) reduced congestion due to transmission outages; (6) mitigation of extreme weather events and unexpected system conditions; (7) capacity cost benefits from reduced peak energy losses; and (8) other benefit metrics, as appropriate, in accordance with Attachment AY and the CPP Manual.[65] Further, as part of its evaluation, SPP will assess the cost effectiveness of proposed solutions taking into consideration benefits, sensitivity analysis, and assessment of the impact of the transmission plan on a typical residential customer.[66] SPP also proposes to include the GRID-C contributions from current and prospective interconnection customers within a CPP planning cycle in the benefit-to-cost analysis for CPP upgrades.[67]

41. As part of the CPP framework, SPP will publish a report summarizing the findings of each transmission assessment including, for the CPP-20, a determination of GRID-C rates.[68] The report as well as related studies and criteria, assumptions, and underlying

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[62] *Id.*, attach. AY, § IV.1 (0.0.0), § IV.1.7 (Process to Analyze Transmission Solutions and Alternative for the Transmission Assessment).

[63] *Id.*, attach. AY, § IV.1 (0.0.0), § IV.1.7.1.

[64] *Id.*, attach. AY, § IV.1 (0.0.0), §§ IV.1.9 (Benefits Evaluation), IV.1.10 (Cost Effectiveness Evaluation).

[65] *Id.*, attach. AY, § IV.1 (0.0.0), § IV.1.9.

[66] *Id.*, attach. AY, § IV.1 (0.0.0), § 1.10 (Cost Effectiveness Evaluation).

[67] *Id.*, attach. AY, § IV.1 (0.0.0), § IV.1.10.g. SPP defines a CPP upgrade as "a Network Upgrade identified in a Transmission Assessment that is approved for construction by the SPP Board of Directors." SPP, Proposed Tariff, attach. AY, § II (Definitions) (0.0.0).

[68] Transmittal at 23, 85; SPP, Proposed Tariff, attach. AY, § IV.1 (0.0.0), § IV.1.12 (Reporting).

data will be posted on the SPP website. Under proposed Attachment AY, section 1.12, SPP will present preferred solutions and results of cost-effectiveness analysis, discuss alternatives considered, solicit feedback on solutions, and prepare an annual transmission assessment report that includes a draft list of projects for approval, as well as an explanation of which transmission needs driven by public policy requirements were and were not evaluated for potential solutions.[69] SPP explains that these reporting requirements are generally identical to existing ITP provisions.[70]

42. SPP contends that the proposed CPP framework complies with the Commission's regional transmission planning requirements in Order No. 1000 because the proposed CPP framework will not change the structure of its existing Commission-approved regional transmission planning process in a way that would diminish compliance, including: (1) the scope of the SPP transmission planning region, (2) compliance with Order No. 890 transmission planning principles,[71] (3) requirements to plan on a regional basis to identify more efficient or cost-effective transmission solutions, or (4) consideration of transmission needs driven by public policy requirements.[72]

43. Additionally, in its Deficiency Response, SPP agrees to submit, on compliance, Tariff revisions to correct several drafting errors in the Transmission Assessment Procedures contained in proposed Attachment AY, section IV if so ordered by the Commission.[73] These include revisions to correct a formatting error in proposed section IV.1.7.1.1, to revise proposed section IV.1.10 to correct a reference from section V.9 to IV.1.9, to change several references in sections IV.1.7.1.1.2 and IV.1.12.3 to the CPP "Transmission Assessment" instead of the "Integrated Transmission Planning Assessment," and to correct a drafting error in proposed section IV.1.12 to clarify that the CPP-20 report will include a "determination" of the Network Resource Interconnection

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[69] SPP, Proposed Tariff, attach. AY, § IV.1 (0.0.0), §§ IV.12.1, IV.12.2, IV.12.3.

[70] Transmittal at 85 (citing SPP, Tariff, attach. O, § III (ITP Assessment) (14.0.0), §§ III.7(e)-7(f)).

[71] Order No. 890, 118 FERC ¶ 61,119.

[72] Transmittal at 55-59 (citing *Sw. Power Pool, Inc.*, 144 FERC ¶ 61,059 (2013) (First Order No. 1000 Compliance Order), *order on reh'g & compliance*, 149 FERC ¶ 61,048 (2014) (Second Order No. 1000 Compliance Order), *order on reh'g & compliance*, 151 FERC ¶ 61,045 (2015) (Third Order No. 1000 Compliance Order), *order on compliance*, 152 FERC ¶ 61,106 (2015) (Fourth Order No. 1000 Compliance Order); Order No. 1000, 136 FERC ¶ 61,051).

[73] Deficiency Response at 7-8.

Service (NRIS) Region-wide and Subregional GRID-C rates, not an "estimation" of these rates.[74]

### ii. CPP-20

44. As noted above, the CPP-20 is performed in the first year of each three-year planning cycle and aims to proactively identify transmission solutions over a 20-year planning horizon.[75] Specifically, the CPP-20 will focus on specific representative future years, not each consecutive year, in the 20-year planning horizon as described in the CPP Manual.[76] Further, the scope for the CPP-20 will include at least three "plausible and diverse futures," developed in consultation with the SPP Regional State Committee, and at least one sensitivity applied to each future to account for uncertain operational outcomes due to extreme weather events.[77] SPP explains that the insights and data produced from the CPP-20 will inform the subsequent two CPP-10 assessments by identifying potential system upgrades, long-term planning needs, and a strategic transmission expansion plan. SPP states that the transmission projects that result from CPP-20 (i.e., the CPP-20 Transmission Portfolio) represent a "conceptual" project portfolio that will then be considered for approval and inclusion in the CPP-10 recommended project portfolios.[78]

45. Under the proposal, the CPP-20 will also determine PILs for the applicable CPP planning cycle. SPP states that PILs represent "strategically selected" locations where transmission system capability has been evaluated using prior studies, technical assessments from the generator interconnection queue, and stakeholder input to identify locations with sufficient existing or planned transmission capacity available to serve long-term generator interconnection needs.[79] More specifically, PILs will be based on

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[74] *Id*. at 7-9.

[75] Transmittal at 23.

[76] *Id*. at 22; SPP, Proposed Tariff, attach. AY, § IV.1 (0.0.0), § IV.1.1.1 (CPP-20).

[77] SPP, Proposed Tariff, attach. AY, § IV.1 (0.0.0), § IV.1.1.1 (CPP-20). The proposed Tariff provides that, if the SPP Regional State Committee requests that SPP use additional futures to inform its consideration of cost allocation methods, SPP must develop a reasonable number of those futures. *Id.*

[78] Transmittal at 23.

[79] *Id*. at 25, 83. SPP proposes to define PILs as "the locations identified as part of the twenty (20) year planning horizon CPP Planning Cycle." SPP, Proposed Tariff, attach. AY, § II (0.0.0).

one or more suitable points of interconnection ensuring transmission capability and feasibility for an amount of generation at each PIL, but they will not guarantee site control, permitting, or development activities.[80] SPP explains that PILs are fuel and resource neutral and that final PIL determinations and associated MW caps are subject to stakeholder review and approval.[81] SPP also explains that each CPP-10 will review and update the available PILs, in accordance with the CPP Manual, as interconnection customers commit to pay the GRID-C charge.

46. SPP explains that the benefit of interconnecting at a PIL is that transmission capacity will have been proactively developed in that area to serve future needs, including generator interconnection needs. SPP states that, to the extent an interconnection customer elects to interconnect at a PIL, it generally will not be responsible for additional system network upgrade costs beyond its GRID-C charge.[82]

### iii. CPP-10

47. Under the proposal, in each year of the three-year planning cycle, SPP will conduct a CPP-10 transmission assessment. The CPP-10, like the CPP-20, will focus on representative future years, not each consecutive year in the 10-year planning horizon. In the event the CPP-10 and CPP-20 transmission assessments are scheduled concurrently, SPP may coordinate and, to the maximum extent possible, combine the stakeholder scoping efforts, technical assessments, and reporting activities for both assessments.[83] SPP explains that the CPP-10 is a near-term planning tool that will address reliability, economic, public policy-driven, and generator interconnection needs. SPP explains that the CPP-10 consists of three phases: (1) the ICS; (2) a single interconnection customer decision point (Decision Point);[84] and (3) a regional transmission planning assessment.[85]

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[80] Transmittal at 83-84; SPP, Proposed Tariff, attach. AY, § IV.1 (0.0.0), § IV.1.4 (Analysis of Prospective New Generation or Expanded Generation).

[81] Transmittal at 25-26, 84; SPP, Proposed Tariff, attach. AY, § IV.1 (0.0.0), § IV.1.4 (Analysis of Prospective New Generation or Expanded Generation).

[82] Exceptions are discussed below. *See infra* P 59.

[83] SPP, Proposed Tariff, attach. AY, § IV.1 (0.0.0), § IV.1.1.2 (CPP-10).

[84] The ICS and Decision Point are described further below in section IV.B.3.a.

[85] Transmittal at 27.

48. SPP explains that the regional transmission planning assessment portion of the CPP-10 will evaluate the transmission system's ability to meet regional transmission planning needs over a 10-year time horizon, based on SPP's existing ITP process. To conduct the regional transmission planning phase, the assumptions utilized in the CPP-20 will provide an initial futures forecast for the CPP-10 transmission assessments.[86] Each CPP-10 transmission assessment will be performed consistent with the Transmission Assessment Procedures outlined above and will consider the same factors, requirements, and forecasts that SPP uses in the CPP-20 transmission assessment.[87] The interconnection outcomes of the ICS Decision Point are also considered in the regional transmission planning assessment phase of the CPP-10, which will then recommend transmission system upgrades to be included in the plan for construction.[88] SPP asserts that the CPP-10 will result in a proposed portfolio of efficient and cost-effective transmission solutions addressing regional transmission and generator interconnection needs.[89] Transmission projects identified in the CPP-10 may be authorized for construction with approval of the SPP Board of Directors.[90]

**b. Comments**

49. Multiple commenters contend that the CPP proposal will improve SPP's transmission planning and generator interconnection processes, enabling more efficient and cost-effective transmission planning and identification of network upgrades,[91] although several commenters also request additional reporting on CPP implementation.[92]

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[86] SPP, Proposed Tariff, attach. AY, § IV.1 (0.0.0), § IV.1.2 (Transmission Assessment Scope Development).

[87] *Id*., attach. AY, § IV.1 (0.0.0), §§ IV.1.2.1 (Future Development), IV.1.2.2 (Policy, Reliability, and Economic Input Requirements), IV.1.2.3 (Generation and Demand Response Considerations).

[88] *Id*., attach. AY, § I (0.0.0).

[89] Transmittal at 27.

[90] SPP, Proposed Tariff, attach. AY, § IV.1 (0.0.0), § IV.1.11 (Determination for Construction).

[91] Advanced Energy United Comments at 1; American Clean Power Association Comments at 1-2; ITC Great Plains Comments at 2; PIOs Comments at 18; SEIA Comments at 1; SPP TO Group Comments at 1, 6-8.

[92] *See infra* PP 85, 124, 126.

Further, American Clean Power Association, Advanced Energy United, APA, ITC Great Plains, and PIOs commend SPP's stakeholder process for developing the CPP proposal.[93]

50. SEIA states that the CPP will improve SPP's process and will completely change how a major transmission planning region approaches transmission planning and generator interconnection.[94] SEIA states that the GRID-C mechanism facilitates the development of multi-value transmission projects that address existing system, load, and future generator interconnection needs. ITC Great Plains and SEIA also support the consolidation of the transmission planning and generator interconnection processes under the CPP framework to enable faster, more reliable study timelines while providing greater stability and predictability across the entire interconnection process.[95] SPP TO Group states that the CPP proposal seeks to correct problems that have resulted from SPP's differing cost allocation methods for network upgrades in the ITP and GIP (such as unfair cost allocations, lack of cost certainty, and a "free rider" problem) by integrating the transmission planning and generator interconnection processes into a single, holistic planning process.[96] In addition, SEIA agrees with SPP that a holistic planning process that will identify optimal transmission solutions and consolidate transmission planning and generator interconnection under the CPP creates the unified, forward-looking planning framework envisioned by Order Nos. 1000 and 1920,[97] while ITC Great Plains also states that a holistic planning process is suitable for SPP's distinctive needs.[98]

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[93] Advanced Energy United Comments at 14; American Clean Power Association Comments at 3; APA Protest at 1; ITC Great Plains Comments at 2; PIOs Comments at 1.

[94] SEIA Comments at 1-2.

[95] ITC Great Plains Comments at 3; SEIA Comments at 5.

[96] SPP TO Group Comments at 1-7.

[97] SEIA Comments at 5 (citing Transmittal at 7, 47; Order No. 1000, 136 FERC ¶ 61,051; *Bldg. for the Future Through Elec. Reg'l Transmission Plan. & Cost Allocation*, Order No. 1920, 187 FERC ¶ 61,068, *order on reh'g & clarification*, Order No. 1920-A, 189 FERC ¶ 61,126 (2024), *order on reh'g & clarification*, Order No. 1920-B, 191 FERC ¶ 61,026 (2025)).

[98] ITC Great Plains Comments at 4-5.

51. American Clean Power Association states that the CPP proposal will break down the "artificial silos" between regionally planned transmission and interconnection-related network upgrades.[99] American Clean Power Association supports aligning system modeling, assumptions, and cost allocation for transmission planning and generator interconnection in the CPP.[100] American Clean Power Association asserts that the CPP will enable transmission system expansion to meet growing load and interconnection requests and will better serve both load and generation by proactively identifying optimal transmission solutions that simultaneously address multiple drivers.[101]

### c. Commission Determination

52. We find SPP's proposed CPP framework to be just and reasonable and not unduly discriminatory or preferential. We agree with SPP and various commenters that SPP's proposal to integrate its regional transmission planning and generator interconnection processes under the CPP framework is an innovative approach to more efficiently and cost-effectively plan its transmission system. As outlined by SPP, the CPP framework, consisting of the CPP-20 and CPP-10 transmission assessments and integrated ICS, will allow SPP to more proactively and holistically identify transmission facilities that address the needs of both load and interconnection customers, provide greater upfront cost certainty to interconnection customers, and reduce interconnection study timelines.

53. In addition, we find that SPP's proposal complies with the Commission's existing Order No. 1000 regional transmission planning and cost allocation requirements.[102] We

[99] American Clean Power Association Comments at 2.

[100] *Id*. at 2-3.

[101] *Id*. at 3-4.

[102] We note that SPP did not propose to change its Highway/Byway regional cost allocation method, which the Commission has found complies with Order No. 1000's requirement that each public utility transmission provider have a method, or set of methods, for allocating the costs of any new transmission facility selected in the regional transmission plan for purposes of cost allocation that satisfies six regional cost allocation principles. *See* First Order No. 1000 Compliance Order, 144 FERC ¶ 61,059 at P 347; Second Order No. 1000 Compliance Order, 149 FERC ¶ 61,048 at P 276; *Sw. Power Pool, Inc.*, 193 FERC ¶ 61,244 at P 72. As such, we find that SPP continues to comply with this requirement of Order No. 1000. Likewise, we note that SPP did not propose to change the competitive transmission development process that the Commission found complies with the nonincumbent transmission developer reforms of Order No. 1000. *See* First Order No. 1000 Compliance Order, 144 FERC ¶ 61,059 at PP 162, 184, 195, 225,

note that the Commission previously found that SPP's existing regional transmission planning process satisfied each of the transmission planning principles of Order No. 890[103] and requirements contained in Order No. 1000 (including the requirement that public utility transmission providers amend their tariffs to describe procedures that provide for the consideration of transmission needs driven by public policy requirements in their regional transmission planning processes).[104] As SPP's proposed CPP Transmission Assessment Procedures are based, in part, on its existing regional transmission planning process contained in Attachment O of its Tariff, our focus in this proceeding is on the incremental changes to the SPP regional transmission planning process proposed in the instant filing. We agree with SPP that the proposed CPP framework will not change the structure of its regional transmission planning process in a manner that would diminish its compliance with the regional transmission planning requirements of Order No. 1000 and that many of its proposed CPP Transmission Assessment Procedures Tariff provisions, including Attachment AY, sections IV.1.1, IV.1.6, IV.1.7, and IV.1.12, are nearly identical to existing ITP provisions contained in Attachment O, section III.[105] Moreover, SPP proposes only limited changes to Attachment O itself, including to update references to the CPP and to replace references to the 20-Year Assessment with the CPP-20. Therefore, given the consistency between the existing Attachment O, section III (The Integrated Transmission Planning Assessment) and proposed Attachment AY, we find that SPP's proposed transmission planning requirements contained in Attachment AY comply with the transmission planning-related requirements of Order Nos. 890 and 1000.

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241-242, 306-307, 322; Second Order No. 1000 Compliance Order, 149 FERC ¶ 61,048 at PP 128, 158-159, 166, 173, 180, 196, 263; Third Order No. 1000 Compliance Order, 151 FERC ¶ 61,045 at PP 59-60; Fourth Order No. 1000 Compliance Order, 152 FERC ¶ 61,106 at PP 15, 19. Nor did SPP propose to change its interregional transmission coordination procedures or interregional cost allocation method, which the Commission also found comply with the interregional transmission coordination and cost allocation requirements of Order No. 1000. *See Sw. Power Pool, Inc.*, 150 FERC ¶ 61,093, at PP 24, 29, 48, 66, 84, 148-149 (2015), *order on compliance filing*, 154 FERC ¶ 61,075, at P 10, 13, 27, 41, 58, 69 (2016); *Sw. Power Pool, Inc.*, 150 FERC ¶ 61,210, at PP 18, 24-25, 64, 92, 111, 178-179, *order on compliance filing*, 152 FERC ¶ 61,172, at PP 11, 18, 21, 26 (2015), *order conditionally accepting compliance filing,* 154 FERC ¶ 61,076, at P 11 (2016).

[103] *See Sw. Power Pool, Inc*., 132 FERC ¶ 61,042, at PP 52-63 (2010).

[104] *See* First Order No. 1000 Compliance Order, 144 FERC ¶ 61,059 at P 20.

[105] Transmittal at 56-59, 81, 84.

54. However, we recognize SPP's agreement in its Deficiency Response to make the following corrections in the proposed Tariff language: (1) removing the bolded subheading language "Potential improvements to the Transmission" and instead including that language in the body of the Tariff in Attachment AY, section IV.1.7.1.1 to read "Potential improvements to the Transmission System submitted by a Transmission Owner that are intended to relieve a violation of Zonal Planning Criteria shall be studied as a potential solution in accordance with the CPP Manual;" (2) correcting the Tariff reference in Attachment AY, section IV.1.10 to read "[i]n addition to Section IV.1.9 of this Attachment AY requirement, the Transmission Provider shall assess the cost effectiveness of proposed solutions;" (3) correcting language in Attachment AY, sections IV.1.7.1.1.2 and IV.1.12.3 to reference the CPP "Transmission Assessment," instead of the "Integrated Transmission Planning Assessment;" and (4) replacing the word "estimation" with "determination" in Attachment AY, section IV.1.12 in reference to "the NRIS Region-wide and Subregional GRID Contribution rates." Therefore, we direct SPP to submit, within 30 days of the date of this order, a further compliance filing to revise Attachment AY to include these corrections.

### 2. Cost Allocation and Cost Recovery

#### a. SPP Proposal

##### i. Cost Allocation

55. As described above, SPP currently allocates to load the costs of new transmission facilities approved through the ITP process using its Highway/Byway cost allocation method under Attachment J and Schedule 11 of the Tariff.[106] In this filing, SPP does not propose to change its existing Highway/Byway cost allocation method, but rather proposes to use that method to share the costs of new transmission facilities among the generation and load that will benefit from CPP upgrades.[107] SPP proposes that interconnection customers will be allocated a share of those costs through the GRID-C mechanism, which is a per MW charge calculated to reflect the share of system network upgrade costs paid by generators, with the revenues credited to load paying for the same network upgrades under SPP's Highway/Byway cost allocation method.[108]

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[106] *Id*. at 52. Transmission customers pay base plan zonal charges, subregional charges, and region-wide charges pursuant to Schedule 11 of the Tariff. SPP, Tariff, sched. 11 (Base Plan Zonal Charge) (10.0.1).

[107] Transmittal at 8-9, 52-53.

[108] The GRID-C revenue collected by SPP will be credited directly to transmission customers under Schedule 11 of the Tariff, which will reduce transmission customers' net invoice for transmission service. *Id*. at 24, 90 (citing SPP, Proposed Tariff, attach. AY,

56. As discussed further below, each interconnection customer will be required to pay a share of the CPP-20 Transmission Portfolio costs based on the MW amount of its requested interconnection service—either Energy Resource Interconnection Service (ERIS) or NRIS—multiplied by the applicable GRID-C rates.[109] Thus, SPP states that the GRID-C framework is designed to reflect the transmission utilization of CPP upgrades by future generation, representing interconnection customers' roughly commensurate share of the costs to construct transmission projects necessary to enable their interconnection.[110]

57. SPP explains that the GRID-C framework will identify interconnection customers' share of those system network upgrade costs prior to entering the interconnection queue and, thereby, provide interconnection customers with increased cost certainty.[111] SPP states that, in exchange for the CPP's cost certainty, interconnection customers will be required to provide greater upfront cost commitment, meet stricter commercial readiness requirements, and be subject to risk of greater financial penalties for withdrawing from the queue, as outlined further below.[112] SPP asserts that the increased cost certainty and financial commitments at the beginning of the interconnection process should reduce the number of speculative projects entering the interconnection queue and the need for restudies, to the benefit of all interconnection customers. SPP states that although it expects that interconnection customers will pay more under CPP than they currently pay to interconnect to the SPP transmission system, the GRID-C charge will be more evenly assessed across the many interconnection customers that are similarly benefiting from the

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§ IV.3 (GRID Contribution Cost Allocation from Transmission Assessments) (0.0.0), § IV.3.5 (Distribution of GRID Contribution Revenues)); SPP, Proposed Tariff, sched. 11 (Base Plan Zonal Charge) (10.0.5); *id.*, addendum 3 (Addendum 3 to Schedule 11) (0.0.0).

[109] Transmittal at 53. Under SPP's GIP, when an interconnection customer submits its interconnection request, it must request one of two primary types of interconnection service: ERIS or NRIS. ERIS makes the interconnection customer "eligible to deliver the Generating Facility's electric output using the existing firm or non-firm capacity of the Transmission System on an as available basis." NRIS allows an interconnection customer in SPP "to integrate its Generating Facility with the Transmission System in the same manner as all other Network Resources." SPP, Tariff, attach. V, § 1 (Definitions) (21.0.1). Neither ERIS nor NRIS, in and of themselves, conveys transmission service. *Id*.

[110] Transmittal at 23-24.

[111] *Id*. at 20, 25.

[112] *See infra* PP 99, 102, 104.

shared transmission investment, will allocate costs roughly commensurate with benefits, and will result in greater upfront cost certainty.[113]

58. SPP asserts that, like the Highway/Byway cost allocation method, the GRID-C method reasonably aligns the costs of transmission expansions with the usage of the transmission system, and by distinguishing between the types of facilities that are used on a regional and subregional basis, it ensures that allocations of costs are roughly commensurate with associated benefits.[114] SPP acknowledges that the proposed provisions related to the GRID-C mechanism and PILs reflect a change from the proportional impact cost allocation method for necessary system network upgrades contained in its Order No. 2023-compliant GIP.[115] Nevertheless, SPP argues that the proposal is just and reasonable and satisfies the independent entity variation standard for variations from the Commission's *pro forma* Large Generator Interconnection Procedures (LGIP), as the proposal will not only enable planning of more efficient and cost-effective transmission solutions, but also provide interconnection customers with greater certainty regarding cost and viability of interconnecting a particular generating facility, which will, in turn, reduce the number of withdrawals and restudies and speed up the entire interconnection process.[116]

59. SPP states that, in addition to paying the GRID-C charge, interconnection customers that request to interconnect at an unplanned interconnection location (UPIL)—which is a location other than a PIL or a PIL where available capacity has been exceeded by interconnection requests—will be directly assigned the cost of any additional network upgrades identified during the ICS that are necessary for their interconnection.[117] Specifically, if multiple interconnection customers request to interconnect at the same PIL such that the total requested MWs of interconnection service are above the designated MW of capacity at the PIL, the PIL will be considered oversubscribed. In that

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[113] Transmittal at 44; SPP, Filing, Ex. SPP-004 (Testimony of Charles Locke) at 25-26 (Locke Test.).

[114] Transmittal at 53.

[115] *Id.* at 69.

[116] *Id.* SPP notes that, in Order No. 2023, the Commission stated that methods other than the proportional impact method could be justified under the independent entity variation standard. *Id.* (citing Order No. 2023, 184 FERC ¶ 61,054 at P 464).

[117] *Id*. at 26; SPP, Proposed Tariff, attach. AY, § V.8 (Interconnection Cluster Study) (0.0.0), § V.8.3 (ICS Review Period); *id.* § V.3 (Interconnection Requests) (0.0.0), § V.3.3A.1.2 (Planned Interconnection Location); *id*. § V.4 (0.0.0), § V.4.2.2 (Cost Allocation for Interconnection Facilities and Network Upgrades).

case, SPP will request that each interconnection customer reduce its interconnection request by a *pro rata* percentage. Interconnection customers that choose not to reduce their interconnection request will be considered to be interconnecting at a UPIL and will pay additional directly assigned network upgrade costs (DAUC) for any additional system network upgrade costs identified in the ICS. Under the proposal, an interconnection customer's DAUC may be reduced if some of the additional network upgrades are identified in the CPP-10 as providing sufficient benefit to load or eliminated entirely if all of the additional network upgrades provide sufficient benefit to load.[118] Further, SPP explains that interconnection customers at PILs may be assigned DAUC for network upgrades with a nominal operating voltage less than or equal to 100 kV because such costs are not included in the calculation of GRID-C rates.[119] SPP also notes that all interconnection customers will remain responsible for the cost of interconnection-related facilities.[120]

### ii. GRID-C Calculation

60. SPP explains that GRID-C rates will be calculated based on the estimated network upgrade engineering and construction costs of the network upgrades identified in the applicable CPP-20 and will account for the relative use of those planned transmission facilities by prospective interconnection customers.[121]

61. Specifically, SPP explains that there will be four GRID-C rates, divided by interconnection type (ERIS or NRIS) and geography: (1) region-wide ERIS GRID-C, (2) subregional ERIS GRID-C, (3) region-wide NRIS GRID-C, and (4) subregional NRIS GRID-C. Under the proposal, ERIS GRID-C rates will apply to all interconnection customers, and interconnection customers that request NRIS service will pay both the ERIS and NRIS GRID-C rates. Each interconnection customer will pay the region-wide

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[118] SPP, Proposed Tariff, attach. AY, § V.3 (0.0.0), § V.3.3A.1 (Planned Interconnection Location); *see also* Deficiency Response at 14-15 (explaining that to determine whether such a network upgrade provides "sufficient benefit to load," SPP will employ a benefit-to-cost ratio of 1.0 for justifying beneficial upgrades from the production cost simulation).

[119] Transmittal at 26; Locke Test. at 7-8.

[120] Transmittal at 68-69; Raheem Test. at 19. SPP states that interconnection-related facilities include transmission owner's interconnection facilities, interconnection customer's interconnection facilities, and other point of interconnection upgrades such as discrete substation network upgrades at the point of interconnection directly related to the interconnection request. Raheem Test. at 19.

[121] Transmittal at 53.

GRID-C rates and the subregional GRID-C rates that correspond to its subregion. SPP explains that, mirroring SPP's Highway/Byway cost allocation method, the region-wide GRID-C rates will be derived based on 100% of the costs of EHV facilities and 33% of the costs of the region's total HV facilities. The subregional GRID-C rates will be based on 67% of the costs of the HV facilities in the subregion where the interconnection request is located.[122]

62. The proposed GRID-C framework also includes an inflation adjustment mechanism to account for inflation during the years following each CPP-20 in each planning cycle, with the GRID-C rates in those years updated to reflect a cost escalation factor using an index that measures inflation in the electric utility industry.[123] Further, SPP will monitor differences between the upgrade cost estimates underlying each set of GRID-C rates and the final actual costs of the upgrades upon completion. While the GRID-C rates for interconnection customers with executed GIAs will remain fixed, the proposed GRID-C framework includes a mechanism to update the GRID-C rates for future interconnection customers in future CPP planning cycles based upon the monitored differences in costs.[124] SPP proposes that generator interconnection customers will be eligible for ILTCRs for the incremental available transfer capability created by the portion of the CPP upgrades for which they pay through GRID-C charges.[125] SPP asserts

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[122] SPP's recently accepted subregional cost allocation filing established five subregions: Southwest, Southeast, Central, Nebraska, and North. *See Sw. Power Pool, Inc.*, 193 FERC ¶ 61,244 at P 14. SPP explains that these subregions are configured, among other purposes, to ensure that the large majority of designated resources associated with network loads are located in the same subregion as those loads. SPP argues that this provides a means to align the interconnection customers, the cost of upgrades necessary to furnish network transmission service from those interconnection customers, and the network loads benefiting from such service. Transmittal at 54.

[123] SPP, Proposed Tariff, attach. AY, § IV.3 (0.0.0), §§ IV.3.8 (Cost Changes), IV.3.8.1 (Inflation Adjustment).

[124] When the average actual cost of CPP upgrades approved through a prior CPP-10 assessment exceeds a 10% variation over or under the estimated amount, SPP will develop an escalation or de-escalation factor for the purpose of establishing more accurate cost estimates, which will be applied in estimating the CPP upgrade costs and calculating the GRID-C rate in the next CPP-20. Transmittal at 35-36; Locke Test. 27; SPP, Proposed Tariff, attach. AY, § IV.3 (0.0.0), § IV.3.8.2 (GRID Contribution Cost True-Up).

[125] Transmittal at 77; Locke Test. at 21; SPP, Proposed Tariff, attach. Z2, § IV (Incremental LTCRs) (5.0.0).

this is consistent with Commission policy and, given that interconnection customers are already eligible for ILTCRs related to DAUC under its Tariff, will help ensure comparable treatment for interconnection customers as the level of DAUC is expected to diminish and be replaced by GRID-C charges under the CPP framework.

### (a) ERIS GRID-C Rate Calculation

63. SPP proposes to calculate the ERIS GRID-C rates as the product of: (1) the CPP-20 portfolio's engineering and construction costs, adjusted for inflation, that are specific to the region-wide or subregional categories using the Highway/Byway cost allocation method described above, excluding the cost of those CPP upgrades necessary for furnishing only NRIS;[126] (2) the Transmission Utilization Factor;[127] and (3) the Future Generation Non-Accredited Factor (Energy Factor).[128] This product, for the region and each subregion, is then divided by the weighted nameplate MWs of projected future generation, in the region and each subregion, to derive a region-wide and subregional rate per MW, respectively.[129]

64. SPP explains that the Transmission Utilization Factor accounts for the relative utilization of existing and planned EHV and HV facilities in the transmission system by current and prospective interconnection customers.[130] By quantifying relative usage of

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[126] Transmittal at 35-36, 88; SPP, Proposed Tariff, attach. AY, § IV.3 (0.0.0), §§ IV.3.4 (GRID Contribution Calculation), IV.3.4.1.1 (CPP-20 Transmission Portfolio Cost Determination).

[127] SPP will calculate a separate Transmission Utilization Factor value for HV facilities and EHV facilities. SPP, Proposed Tariff, attach. AY, § IV.3 (0.0.0), § IV.3.4.1.2 (Transmission Utilization Factor).

[128] SPP explains that the Future Generation Non-Accredited Factor is also referred to as the Energy Factor in its transmittal and testimonies. Deficiency Response, app. A, n.2. *See, e.g.*, Transmittal at 37-38, 89; Locke Test. at 14-15; SPP, Proposed Tariff, attach. AY, § IV.3 (0.0.0), §§ IV.3.4.2 (ERIS GRID Rate Calculation), IV.3.4.1.3 (Future Generation Non-Accredited Factor).

[129] SPP, Proposed Tariff, attach. AY, § IV.3 (0.0.0), §§ IV.3.4.1.1 (CPP-20 Transmission Portfolio Cost Determination), IV.3.4.2 (ERIS GRID Rate Calculation), IV.3.4.1.2 (Transmission Utilization Factor), IV.3.4.1.3 (Future Generation Non-Accredited Factor), IV.3.4.1.4 (Prospective Generation Megawatts Determination).

[130] Transmittal at 37-38 (citing SPP, Proposed Tariff, attach. AY, § IV.3 (0.0.0), § IV.3.4.1.2 (Transmission Utilization Factor)).

the transmission system by future interconnection customers, SPP states that the factor is intended to reflect the benefit derived from the system by future generation.[131]

65. SPP explains that the Energy Factor is intended to quantify the portion of transmission usage not required for meeting accredited capacity requirements.[132] SPP notes that the Energy Factor is only applicable to generating facilities interconnecting under ERIS because ERIS does not guarantee deliverability service.[133]

66. SPP explains that the ERIS GRID-C denominator is based on the average total MW of future generation in the region at years 10 and 20 and is weighted by the proportion of transmission portfolio costs required in years 10 and 20, respectively.[134]

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[131] *Id*. at 88; SPP, Proposed Tariff, attach. AY, § II (0.0.0). SPP states that the Transmission Utilization Factor will be determined through an economic model simulating conditions in the twentieth year of the study horizon and will be applied to reflect the proportion of EHV and HV portfolio costs attributed to prospective interconnection customers based on their expected usage of the transmission system. The simulation will be conducted on an hourly basis, with results summarized in a ratio comparing the prospective generating facility's MWh usage of the EHV and HV facilities to total MWh usage. Transmittal at 37, 88; Deficiency Response at 6-7; Deficiency Response, app. A at 3. SPP further explains that the Transmission Utilization Factor is calculated based on the single, consolidated set of transmission facilities in the CPP-20 portfolio, which reflects transmission needs identified across the multiple futures included in the study scope. SPP states that the Transmission Utilization Factor is not calculated separately by future and therefore is not optimized to any single futures forecast but instead reflects the expected use of the consolidated portfolio over time and across a range of plausible system conditions. Deficiency Response at 6-7.

[132] Transmittal at 37; SPP December 9 Answer at 15; SPP, Proposed Tariff, attach. AY, § IV.3 (0.0.0), § IV.3.4.1.3 (Future Generation Non-Accredited Factor). SPP states that the Energy Factor is calculated as one minus the ratio of the total regional accredited capacity of future generation resources to the nameplate capacity of those future resources. Transmittal at 37. SPP clarifies that it determines the Energy Factor by averaging the non-accredited generation outcomes across the multiple futures included in the CPP-20 study scope. Deficiency Response at 7. SPP explains that the Energy Factor factors out the estimated accredited capacity needed to address peak hour resource adequacy requirements in order to identify the portion of future generation expected to provide "energy-only" service. Deficiency Response, app. A at 3 (citing Draft CPP Manual, § 9.2.1.3).

[133] Deficiency Response, app. A at 3.

[134] SPP, Proposed Tariff, attach. AY, § IV.3 (0.0.0), § IV.3.4.1.4 (Prospective Generation Megawatts Determination); Deficiency Response, app. A at 4-5. SPP

SPP contends that this weighting aligns the allocation of ERIS GRID-C costs with the magnitude and timing of transmission facilities buildout.[135] SPP asserts that weighting the future generation nameplate MW by CPP-20 portfolio costs will improve cost causation by aligning near-term investments and long-term portfolio buildout with the corresponding levels of generation deliverability assumed in planning.[136]

**(b) NRIS GRID-C Rate Calculation**

67. SPP states that the NRIS region-wide and subregional GRID-C rates are based on the incremental costs, as allocated on a region-wide and subregional basis, respectively, for projected network upgrades in the CPP-20 transmission portfolio necessary to provide NRIS deliverability.[137] Similar to the ERIS GRID-C, the NRIS GRID-C calculation will include regional and sub-regional components and follow the Highway/Byway cost allocation method.[138] Specifically, the region-wide NRIS GRID-C calculation will sum 100% of the EHV CPP-20 portfolio costs and 33% of the HV CPP-20 portfolio costs needed to enable NRIS deliverability.[139] This value will then be divided by a MW value of projected accredited generation weighted by costs, as described below.[140] The subregional NRIS GRID-C calculation will divide 67% of the subregion's

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provides that the proportional costs at years 10 and 20 will be the incremental costs divided by total costs at year 20. Deficiency Response, app. A at 4.

[135] Deficiency Response at 10.

[136] *Id*. at 11.

[137] Transmittal at 39-40, 89-90; SPP, Proposed Tariff, attach. AY, § IV.3 (0.0.0), §§ IV.3.4.1.1 (CPP-20 Transmission Portfolio Cost Determination), IV.3.4.3 (NRIS GRID Contribution).

[138] Transmittal at 39; SPP, Proposed Tariff, attach. AY, § IV.3 (0.0.0), § IV.3.4.3 (NRIS GRID Contribution).

[139] SPP, Proposed Tariff, attach. AY, § IV.3 (0.0.0), § IV.3.4.3 (NRIS GRID Contribution).

[140] *Id*., attach. AY, § IV.3 (0.0.0), § IV.3.4.1.4 (Prospective Generation Megawatts Determination).

HV CPP-20 NRIS portfolio costs by a MW value of projected accredited generation weighted by costs, as described below.[141]

68. SPP explains that the NRIS GRID-C denominator is the total MW of future accredited generation in the region at years 10 and 20 weighted by the proportion of NRIS transmission portfolio costs required in years 10 and 20, respectively.[142] SPP states that weighting the future generation accredited MWs by transmission portfolio costs in the same manner as the ERIS GRID-C denominator creates consistency between the transmission investment in each time horizon and the level of accredited deliverable generation capacity for which transmission investment will be necessary to ensure deliverability.[143]

69. SPP explains that, if a transmission owner identifies an NRIS generating facility as a designated resource prior to the commercial operation date, the interconnection customer's NRIS GRID-C charge is eligible to be base plan funded (i.e., paid by load), subject to existing eligibility rules and safe harbor cost limits in Attachment J.[144] SPP argues that this eligibility is consistent with the treatment of designated resources under SPP's existing aggregate transmission service study.

### iii. Cost Allocation Justification

70. SPP notes that the Commission and the courts have held that the costs of jurisdictional transmission facilities must be allocated in a manner that satisfies the cost causation principle, which requires that "all approved rates reflect to some degree the costs actually caused by the customer who must pay them."[145] SPP states that, as a result, a cost allocation method can satisfy the cost causation principle if the Commission "has an articulable and plausible reason to believe that the benefits are at least roughly

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[141] *Id*., attach. AY, § IV.3 (0.0.0), §§ IV.3.4.3 (NRIS GRID Contribution), IV.3.4.1.4 (Prospective Generation Megawatts Determination).

[142] *Id*., attach. AY, § IV.3 (0.0.0), § IV.3.4.1.4 (Prospective Generation Megawatts Determination); Deficiency Response, app. A at 6-7.

[143] Deficiency Response at 12.

[144] Transmittal at 34-35 (citing Locke Test. at 19-20); SPP, Tariff, attach. Z1 (Aggregate Transmission Service Study Procedures and Cost Allocation and Recovery for Service Upgrades) (0.0.0), § V (Cost Recovery for Service Upgrades) (3.0.0)).

[145] Transmittal at 47 (citing *KN Energy, Inc. v. FERC*, 968 F.2d 1295, 1300 (D.C. Cir. 1992)).

commensurate with" the allocation of the costs.[146] SPP also highlights that, while the Commission has traditionally applied its longstanding "but for" cost causation approach to generator interconnection, the Commission has recognized that it is not the only way to evaluate cost causation in the generator interconnection context.[147] SPP concludes that the legal standard for evaluating cost causation in the generator interconnection context is "the FPA's broad and flexible 'just and reasonable' standard, which the cost causation and beneficiary pays principles effectuate."[148] SPP argues that the proposed CPP cost allocation and cost recovery method is consistent with these established cost causation principles and precedent.[149]

71. SPP explains that the CPP cost allocation method is designed to allocate the costs of new transmission facilities in a manner that is roughly commensurate with the benefits realized by load and generation for CPP upgrades developed to serve both load and generator interconnection.[150] SPP explains that the CPP proposal does not modify SPP's existing Highway/Byway cost allocation method for allocating the cost of transmission facilities to load. However, SPP states, because generation in addition to load will significantly benefit from the CPP upgrades, generation will be allocated a portion of the costs of new transmission facilities in the form of GRID-C charges, which SPP will collect from interconnection customers and use to offset load's obligations under Attachment J and Schedule 11 of its Tariff.

72. In addition, SPP contends that its existing Highway/Byway cost allocation method, as well as the proposed CPP cost allocation method, comply with the regional cost allocation requirements and six cost allocation principles the Commission established in Order No. 1000 because: (1) the CPP proposal and its implementation of GRID-C charges as an offset to Schedule 11 transmission charges meets the "roughly commensurate" standard; (2) the CPP reasonably aligns the costs associated with transmission expansion with load and generation's usage of the transmission system; (3) neither the Highway/Byway cost allocation method nor the GRID-C method use a

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[146] *Id*. at 48 (citing *Ill. Com. Comm'n v. FERC*, 576 F.3d 470, 477 (7th Cir. 2009) ("We do not suggest that the Commission has to calculate benefits to the last penny, or for that matter to the last million or ten million or perhaps hundred million dollars.") (citations omitted)).

[147] *Id*. (citing *Midcontinent Indep. Sys. Operator, Inc.*, 189 FERC ¶ 61,108 (2024) (JTIQ I), *order on reh'g,* 191 FERC ¶ 61,231, at P 34 (2025) (JTIQ II)).

[148] *Id*. (citing *JTIQ II*, 191 FERC ¶ 61,231 at P 34 & n.139).

[149] *Id*. at 49.

[150] *Id*. at 51-53.

benefit-to-cost ratio greater than 1.25 to allocate costs; (4) the CPP proposal does not materially change the Tariff, which is already compliant; (5) the CPP proposal is not changing the Highway/Byway method; and (6) the CPP evaluates projects holistically and allocates costs based on voltage level in a manner that is roughly commensurate with benefits, based on use of the transmission system.[151]

### b. Comments and Protests

73. Several supportive commenters contend that the proposed CPP cost allocation framework will allocate the cost of transmission facilities to load and interconnection customers in a manner at least "roughly commensurate" to benefits, as well as provide greater upfront cost certainty for interconnection customers.[152]

74. SPP TO Group asserts that the existing cost allocation methods create incentives for load and interconnection customers to seek to place the responsibility for network upgrades on others.[153] According to SPP TO Group, the CPP proposal corrects this issue, recognizing that all transmission projects are mutually impactful, and is designed to identify multi-driver transmission solutions that benefit both load and generation and that can be jointly funded. Similarly, American Clean Power Association claims that network upgrade costs in SPP's subregions have often been so expensive that interconnection requests were commercially unviable, which is due in part to a failure to address transmission issues in the ITP.[154] American Clean Power Association argues that the CPP proposal will address misalignments in the current cost allocation methods through the GRID-C rate because interconnection customers will contribute a fair share of the cost of new regional transmission upgrades. American Clean Power Association argues that interconnection customers will therefore help fund major transmission expansions that were previously not addressed in a coordinated manner between the current ITP and DISIS processes in return for a faster and more predictable interconnection study process with fewer network upgrades to fund on a purely "but for" basis.

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[151] *Id*. at 59-63 (citing Order No. 1000, 136 FERC ¶ 61,051).

[152] American Clean Power Association Comments at 7; ITC Great Plains Comments at 5; PIOs Comments at 11-12; SEIA Comments at 3-4; SPP TO Group Comments at 10-13.

[153] SPP TO Group Comments at 7-8.

[154] American Clean Power Association Comments at 7-8.

75. PIOs aver that the GRID-C framework will create transparent, roughly commensurate cost allocation in proportion to the benefits that interconnection customers receive.[155] PIOs believe that the ERIS GRID-C rate will ensure that all interconnection customers contribute fairly to foundational network upgrades and that the NRIS GRID-C rate will ensure that only those interconnection customers seeking NRIS service pay for the incremental costs of transmission required to ensure deliverability. PIOs argue that the CPP's proposed "beneficiary pays" principle is logical, will create more equitable outcomes, and will consistently and fairly share transmission costs between generation and load.

76. ITC Great Plains, SEIA, and SPP TO Group contend that the GRID-C method will establish a predictable rate for prospective interconnection customers before the queue cluster window opens, thereby providing greater cost certainty for developers and enabling more accurate assessments of project viability.[156] Additionally, SEIA notes a recent study indicating that although GRID-C rates may produce higher fees than were assigned under the GIP, "most power plant developers believe the higher fees are justified, provided the process makes it more likely that new power plants are interconnected."[157] SEIA claims that the reduced barriers to competition will benefit ratepayers through increased resource development and more efficient market outcomes. Further, SEIA asserts that the more coordinated planning process can lead to more cost-effective transmission development.[158] For example, SEIA claims that the Elm Creek-Pauline/Mark Moore 345 kV line repeatedly fell short of the benefit-to-cost threshold required for approval under the ITP process, and when its costs were assigned entirely to interconnection customers through the DISIS process, those interconnection customers withdrew due to the high costs. SEIA states that a consolidated planning structure would help avoid similar missed opportunities by evaluating potential upgrades in a unified process.

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[155] PIOs Comment at 11, 13-14.

[156] ITC Great Plains Comments at 5; SEIA Comments at 3-4; SPP TO Group Comments at 7-8.

[157] SEIA Comments at 3-4 (citing Solar and Storage Industries Institute, *Interconnection Reform: How One Grid Operator is Changing the Game* 5 (Nov. 24, 2025), https://www.ssii.org/wp-content/uploads/2025/11/SI2-Game-Changing-Reform-In-Practice-FINAL.pdf).

[158] *Id.* at 5-6.

77. SPP TO Group argues that replacing the "but for" cost allocation with the new GRID-C *ex ante* approach is fully consistent with cost causation principles and is just and reasonable.[159] SPP TO Group claims that the Commission has explained that the "but for" approach is not required by the FPA and that SPP is not obligated to evaluate costs and benefits on a project-by-project basis.[160] Consistent with precedent, SPP TO Group argues that SPP cannot "feasibly" meet the challenges of interconnecting critically needed new generating facilities to its transmission system as long as interconnection studies are performed on a unit-by-unit basis to determine responsibility for network upgrade costs.[161] Additionally, SPP TO Group argues that the GRID-C method satisfies the cost causation principle by assigning transmission costs based on factors such as the type of transmission project and location, accounting for the type of interconnection service, and including a mechanism that reasonably allocates costs to the SPP region as a whole and to subregions on a "roughly commensurate" basis. Moreover, SPP TO Group argues that the CPP-20 is consistent with the Commission's determination in Order No. 1920 that "a time horizon that covers, at a minimum, 20 years" is reasonable because "the useful life of transmission assets generally far exceeds even 20 years, so a 10-year transmission planning horizon is much too short to capture all of the benefits that regional transmission facilities can provide."[162] Further, SPP TO Group contends that by using the same percentage allocation factors previously approved for SPP's Highway/Byway cost allocation, the GRID-C's subregional allocation method mechanism will result in closer correlation between the costs and benefits associated with interconnection customers that situate their projects in a particular area.

78. SPP TO Group also argues that, consistent with the treatment of upgrades to provide long-term transmission service under existing Attachment Z1 of the Tariff, if a transmission owner identifies a given NRIS generating facility as a designated resource prior to reaching commercial operation, the NRIS GRID-C rate for the interconnection customer is reduced or eliminated because the upgrades qualify as base plan upgrades.[163]

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[159] SPP TO Group Comments at 9-10.

[160] *Id*. at 10 (citing *JTIQ II*, 191 FERC ¶ 61,231 at P 34; *Long Island Power Auth. v. FERC*, 27 F.4th 705, 715 (D.C. Cir. 2022)).

[161] *Id*. (citing *Sithe/Indep. Power Partners, L.P. v. FERC*, 285 F.3d 1, 5 (D.C. Cir. 2002) (explaining that when "feasibility concerns" arise, the Commission "is not bound to reject any rate mechanism that tracks the cost-causation principles less than perfectly")).

[162] *Id*. at 12 (citing Order No. 1920, 187 FERC ¶ 61,068 at PP 116, 225).

[163] *Id*. at 14.

79. Additionally, SPP TO Group avers that imposing DAUC for network upgrades needed for interconnection customers interconnecting at UPILs, in addition to the GRID-C charge, is reasonable because an interconnection customer choosing to locate at a UPIL will still realize benefits from the network upgrades associated with GRID-C even with the addition of any network upgrades associated with DAUC.[164]

80. However, several commenters raise concerns that GRID-C rates may become too high to be commercially viable.[165] American Clean Power Association asserts that exceptionally high-cost transmission projects could cause very high GRID-C charges.[166] American Clean Power Association contends that the first CPP-20 and CPP-10 studies are likely to identify EHV facilities to meet long-term needs, which may make the first GRID-C charges significantly higher than the network upgrade costs under the DISIS.[167] American Clean Power Association avers that cost certainty should not come at the cost of cost realism, given that high GRID-C charges may be cost prohibitive for interconnection customers, which would undermine the CPP's goal of an efficient queue. Advanced Energy United argues that while the CPP offers greater planning and cost certainty, its success will be undermined if the all-in costs of GRID-C exceed commercial viability.[168] Advanced Energy United argues that maintaining the CPP's value proposition will require close attention to the scale and pacing of transmission portfolios feeding into GRID-C rates and possible cost containment measures on transmission portfolios. Additionally, while SEIA states that the CPP proposal is consistent with the Commission's cost causation principle and agrees that the proposed framework is a more cost-effective way to plan the transmission system as noted above, SEIA also avers that it is essential that the GRID-C rate be implemented transparently and consistently to ensure it does not inadvertently disadvantage independent power producers by embedding upgrade costs at levels that could limit competition.[169]

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[164] *Id*. at 13.

[165] Advanced Energy United Comments at 14-16; American Clean Power Association Comments at 8-9; PIOs Deficiency Response Comments at 2; SEIA Comments at 6.

[166] American Clean Power Association Comments at 8.

[167] *Id*. at 9.

[168] Advanced Energy United Comments at 14-16.

[169] SEIA Comments at 6.

81. APA argues that, in order to ensure that the GRID-C rate is just and reasonable and consistent with cost causation, SPP must clarify that it interprets the proposed Transmission Utilization Factor to be "subject to a check" to ensure that the relative proportion of costs allocated to load compared to interconnection customers is roughly commensurate with the benefits each receives.[170] APA notes that the Transmission Utilization Factor is not an actual measure of usage, but rather a projection based on modelling and expectations of future system conditions. APA further notes that the Transmission Utilization Factor will be a ratio comparing the prospective generator MWh usage of the EHV and HV transmission system to total MWh usage and is thus intended to account for the relative utilization of the existing and planned EHV and HV facilities by both current and prospective customers.[171] However, APA argues that the relative utilization of transmission infrastructure between new and existing generation does not speak to the relative benefits of that transmission between load and interconnection customers. Specifically, APA argues that while a higher Transmission Utilization Factor may signify that new, rather than existing generation, is expected to make predominant use of the new transmission capacity, it does not signify that load is somehow benefiting less from the CPP upgrades. APA asserts that, if the Transmission Utilization Factor becomes high enough, there is a risk that load will end up not paying its "fair share," relative to the benefits it receives.[172]

82. APA argues that SPP should therefore clarify that it will include a check to ensure that the selected Transmission Utilization Factor does not result in either new generation or load paying a share of costs that are not roughly commensurate with the expected benefits of CPP upgrades.[173] APA asserts that SPP could clarify in the CPP Manual the specific mechanism by which it would complete this check, which could entail using the benefits estimated pursuant to proposed Attachment AY, section IV.1.9 (Benefits Evaluation) as a benchmark to ensure that the charges to load remain roughly commensurate with those benefits. In addition, APA argues that SPP should clarify how it reconciles differences in generation in the multiple futures used in the CPP-20 study scope when determining the Transmission Utilization Factor and Energy Factor in the GRID-C calculation.[174]

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[170] APA Protest at 1, 5-6.

[171] *Id*. at 6 (citing Transmittal at 37-38; Raheem Test. at 13).

[172] *Id*. at 6-7.

[173] *Id*.at 7.

[174] APA Deficiency Response Protest at 9.

83. APA also expresses concern that, without a mechanism to cap costs or to estimate benefits to interconnection customers, there is a substantial risk that the GRID-C will be unjust and unreasonable.[175] APA avers that the ERIS GRID-C rates are highly dependent on the size of the CPP-20 portfolio, regardless of its benefits to generation, and that the projected GRID-C rates are likely to produce notably higher interconnection costs than most historical interconnection costs for successful generation in the SPP footprint.[176] While APA states that it is aware of the Tariff provision that indicates that the cost-to-benefit analysis for CPP upgrades may confer additional benefits to interconnection customers, APA asserts that the mechanism to identify and track such benefits has yet to be developed, which is problematic for the transition to the CPP.[177] According to APA, SPP presented formulas during stakeholder meetings that utilized rate caps based on highest costs that historically resulted in successful interconnections in a sensitivity analysis.[178] APA asserts that the cap presented to stakeholders provided a surrogate for helping to ensure that the GRID-C rate was not prohibitively high, but APA contends that neither this nor any other cap was included in the CPP.[179]

84. APA also argues that interconnection customers that connect at UPILs should not be directly assigned the entire cost of additional needed network upgrades.[180] Instead, APA argues that the assessed DAUC should only be at the level of cost necessary to push the benefit-to-cost ratio for load of the particular network upgrade beyond the minimum 1.0 benefit-to-cost ratio.

85. Some commenters also request that the Commission establish reporting requirements for CPP implementation.[181] Advanced Energy United urges the Commission to monitor the cost trajectory of the GRID-C and recommends that the

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[175] *Id*. at 4.

[176] *Id*. at 3, 4 (citing *Sw. Power Pool, Inc.*, CPP Entry Fee Presentation at Slide 9, RSC Education Session, (Mar. 14, 2025)).

[177] *Id*. at 3 (citing SPP, Proposed Tariff, attach. AY, § IV.1 (0.0.0), § IV.1.1.10g (Cost Effectiveness Evaluation)).

[178] *Id*. at 4 (citing *Sw. Power Pool, Inc.*, Consolidated Planning Process Task Force, (Nov. 18, 2024), Slide 21, Entry Fee (Network Upgrade Contribution: NUC)).

[179] *Id*.

[180] *Id*. at 8-9 (citing Deficiency Response at 25).

[181] Advanced Energy United Comments at 15-16; American Clean Power Association Comments at 9-10; APA Protest at 8-9; SEIA Comments at 6-7.

Commission require SPP to provide periodic reporting on GRID-C costs and cost drivers, including which CPP upgrades were selected for inclusion and how costs were allocated between load and generation, in order to confirm that all-in costs of interconnection remain within commercially viable ranges.[182] SEIA likewise requests that the Commission leverage its oversight authority by requiring SPP to file annual reports identifying which CPP upgrades have been reflected in the GRID-C rate and how those CPP upgrades were selected through the CPP process.[183] SEIA asserts that while CPP has the potential to streamline and provide certainty to the transmission planning and generator interconnection processes, the CPP is a new and novel process, and a reporting requirement will ensure that the Commission, stakeholders, and customers have visibility into how costs are being allocated and whether the CPP is delivering the efficiency and cost-effectiveness it is designed to achieve. American Clean Power Association and APA assert that the Commission should require SPP to provide compliance reports for the first two cycles utilizing GRID-C rates no later than 60 days after the determination of the GRID-C charge.[184] American Clean Power Association and APA argue that the reporting should include: (1) the amount of GRID-C charged; (2) the estimated cost of network upgrades to interconnect the generation at PILs based upon a "but for" analysis; (3) the total cost of interconnecting new NRIS/ERIS generation at PILs on a nameplate and accredited capacity basis; (4) the relative cost share of load and interconnection customers; (5) the number and associated MWs of interconnection customers that will pay the GRID-C rate on a zonal basis; and (6) the estimated benefits to load and interconnection customers of the CPP upgrades included in the GRID-C rate.[185] American Clean Power Association asserts that the Commission has previously required that RTOs submit status reports when implementing significant market design or interconnection reforms,[186] and that transparent data will both support resource development in the SPP footprint and help SPP to adjust the framework in the multi-phase, iterative CPP effort.[187]

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[182] Advanced Energy United Comments at 15-16.

[183] SEIA Comments at 1, 6-7.

[184] American Clean Power Association Comments at 9; APA Protest at 8-9.

[185] American Clean Power Association Comments at 10.

[186] *Id.* at 10-12 (citing *Sw. Power Pool, Inc.,* 190 FERC ¶ 61,030, at P 37 (2025) ("[W]e direct SPP to submit a joint informational report every six months during the implementation period, as well as every six months for a period of three years after the Markets+ Tariff effective date.")).

[187] *Id.* at 11-12.

**c. Answers**

86. In response to commenters, SPP argues that the GRID-C mechanisms ensure that cost allocation between load and generation is roughly commensurate with benefits.[188] SPP reiterates that the ERIS GRID-C mechanism is intended to provide upfront cost certainty to interconnection customers and is designed to account for the relative MWh utilization of existing and planned EHV and HV facilities in the transmission system by current and prospective interconnection customers.[189] Further, SPP asserts that, contrary to APA's arguments, the proposed ERIS GRID-C rate design already provides reductions for usage by load.[190] SPP explains that the ERIS GRID-C rate reflects a direct measure of transmission utilization, which, SPP contends, is the benefit derived from the transmission system by future generation. SPP states that to align usage with ERIS, SPP further adjusts transmission usage by a factor that "quantifies the portion of usage not required for meeting generation capacity requirements."[191] SPP argues that this approach reduces anticipated utilization by generation to account for load's requirements and need for generation, which allows the ERIS GRID-C rate to reflect the nature of ERIS as an "as-available" service. SPP states that adjusting the Transmission Utilization Factor by the percentage of transmission services used by load to meet resource adequacy needs further reduces the ERIS GRID-C rate to ensure that interconnection customers are not paying cost associated with benefits to load.[192] In addition, SPP emphasizes that if a transmission owner identifies a given NRIS generating facility as a designated resource prior to reaching commercial operation, its NRIS GRID-C charge is eligible to be base plan funded (i.e., paid by load) subject to the existing requirements of Attachment J, section III.B.[193] Thus, SPP argues that protections are already in place to ensure that costs are allocated to generation and load in a manner at least roughly commensurate to the benefits each receives and that, therefore, no further clarification as requested by APA is required. Furthermore, SPP states that, consistent with its cost allocation reporting practices, it intends to monitor on an ongoing basis the CPP and its benefits to both load and generation to help ensure that benefits remain reasonably commensurate

[188] SPP December 9 Answer at 12.

[189] *Id*. (citing SPP, Proposed Tariff, attach. AY, § IV.3 (0.0.0), § IV.3.4.1.2 (Transmission Utilization Factor)).

[190] *Id*. at 14 (citing Transmittal at 37-40).

[191] *Id*. at 14-15 (citing Raheem Test. at 14-16).

[192] *Id*. at 15 (citing SPP, Proposed Tariff, attach. AY, § IV.3 (0.0.0), § IV.3.4.1.3 (Future Generation Non-Accredited Factor)).

[193] *Id*. at 15-16.

with allocated costs.[194] SPP also notes that stakeholders will have the opportunity to work with SPP to develop a detailed and transparent methodology for identifying generator benefits under the CPP for incorporation into the CPP Manual.

87. SPP argues that commenters' requests for reporting are unnecessary, duplicative of already available information, and burdensome.[195] SPP contends that its existing and proposed Tariff provides extensive transparency and meaningful participation for interested parties through stakeholder processes and Tariff-mandated reporting requirements.[196] SPP outlines that, among other things, reporting on transmission system planning will include: (1) public posting of CPP-10 and CPP-20 study schedules and process information, including timelines and processes for stakeholder submission of transmission needs, potential generator interconnection locations, and solutions to such needs; (2) posting of the CPP-10 and CPP-20 transmission assessment scopes; (3) specification of methodology, criteria, assumptions, and data to be used in transmission assessments in the CPP Manual; (4) collection and reporting of data related to the yearly SPP Transmission Expansion Plan, which will also provide data and results from each annual CPP transmission assessment; and (5) public posting of transmission assessment reports summarizing findings.[197] In particular, SPP notes that each CPP-20 report will include a determination of the ERIS Region-wide, ERIS Subregional, NRIS Region-wide, and NRIS Subregional GRID-C rates, with related studies and criteria, assumptions, and data underlying the reports available on SPP's website.[198] Further, SPP states that PILs will be updated each CPP-20 and posted on SPP's website, with PIL identification also subject to stakeholder review and approval. Finally, SPP argues that APA and American Clean Power Association's requests that SPP provide "but for" analysis are unsupported and unnecessary to make the proposed GRID-C rate just and reasonable.[199]

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[194] SPP January 29 Answer at 11.

[195] SPP December 9 Answer at 6.

[196] *Id*. at 6-7.

[197] *Id*. at 7-8.

[198] *Id*. at 8 (citing SPP, Proposed Tariff, attach. AY, § IV.1 (0.0.0), § IV.1.12 (Reporting)).

[199] *Id*. at 10 (citing APA Protest at 8; American Clean Power Association Comments at 10).

### d. Commission Determination

#### i. GRID-C Mechanism

88. We find that SPP's proposed GRID-C mechanism is just and reasonable and not unduly discriminatory or preferential. SPP's proposed CPP framework presents a novel approach where SPP, as the transmission provider, will analyze the projected needs of future interconnection customers, incorporate that analysis into its regional transmission planning process, and then allocate a share of the costs of the transmission upgrades identified in that planning process to interconnection customers. Under this framework, unlike under typical generator interconnection procedures where the Commission has applied the "but for" principle, the specific interconnection customers and exact network upgrades needed to effectuate their interconnection are not definitively known before the CPP-20 portfolio is identified and the GRID-C rate is calculated. In that regard, we find that SPP's CPP proposal is more akin to a transmission planning process that identifies effective regional transmission solutions to address transmission needs than to a traditional, reactive generator interconnection process that identifies only those network upgrades needed to accommodate a specific interconnection request or cluster of interconnection requests.[200] As such, we apply the Commission's "beneficiary pays" application of the cost causation principle to the proposed GRID-C mechanism to determine whether it is just and reasonable and not unduly discriminatory or preferential.

89. Under Commission precedent, costs must be allocated according to the cost causation principle, which requires that "all approved rates reflect to some degree the costs actually caused by the customer who must pay them."[201] Courts have further explained that, to "the extent that a utility benefits from the costs of new facilities, it may be said to have 'caused' a part of those costs to be incurred, as without the expectation of its contributions the facilities might not have been built, or might have been delayed."[202] As a result, a cost allocation method can satisfy the cost causation principle if the Commission "has an articulable and plausible reason to believe that the benefits are at

[200] For this reason, we decline to apply the Commission's participant funding precedent for interconnection-related network upgrades in RTOs/ISOs to this proposal. Thus, it is unnecessary to apply the independent entity variation standard to evaluate the GRID-C mechanism.

[201] *KN Energy, Inc. v. FERC*, 968 F.2d 1295, 1300 (D.C. Cir. 1992).

[202] *Ill. Commerce Comm'n v. FERC*, 576 F.3d at 476.

least roughly commensurate with" the allocation of the costs.[203] In this order, we refer to this application of the cost causation principle as "beneficiary pays."

90. We find that SPP's proposed GRID-C mechanism satisfies the Commission's "beneficiary pays" application of the cost causation principle because it will allocate costs in a manner that is at least roughly commensurate with the estimated benefits. SPP's proposal to use the CPP-20 planning process to identify projected transmission upgrades and to require interconnection customers to contribute toward CPP upgrade costs through payment of the GRID-C charge is just and reasonable because the CPP will identify transmission facilities that, while benefitting load, are also necessary to enable the future interconnection of generating facilities to SPP's transmission system. Accordingly, interconnection customers in SPP will benefit from CPP upgrades, and it is thus consistent with the "beneficiary pays" application of the cost causation principle for SPP to allocate them a portion of the costs of such upgrades. Further, we note that interconnection customers will be eligible to receive compensation in the form of ILTCRs related to the incremental available transfer capability created by the portion of the CPP upgrades for which they pay through GRID-C charges.[204] As a result, we find that SPP's proposed cost allocation method, including the GRID-C mechanism, will ensure that the costs of anticipated network upgrades identified to meet the needs of future generation and load are allocated to both prospective generator interconnection customers and to load in a manner that is at least roughly commensurate to benefits.

91. Next, we find that SPP's proposed ERIS GRID-C charge will allocate costs to interconnection customers requesting ERIS in a manner that is at least roughly commensurate with estimated benefits because the incorporation of the Transmission Utilization Factor and the Energy Factor into the proposed ERIS GRID-C rates calculation reflects both the relative MWh utilization of transmission facilities by future interconnection customers (as opposed to existing interconnection customers) and the portion of that transmission system usage not required for meeting accredited capacity requirements, respectively. As such, we agree with SPP that the proposed calculation reasonably reflects the nature of ERIS as an "as available" interconnection service by identifying the portion of future generation expected to provide energy-only service rather than accredited capacity for peak hour resource adequacy.[205] APA argues that certain components of the ERIS GRID-C calculation render the proposed GRID-C rates unjust and unreasonable. Specifically, APA argues that further clarification is necessary regarding the incorporation of the multiple futures contained in the CPP-20 study scope

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[203] *Id.* at 477.

[204] Transmittal at 77; Locke Test. at 21; SPP, Proposed Tariff, attach. Z2, § IV (Incremental LTCRs) (5.0.0).

[205] Deficiency Response, app. A at 3; SPP December 9 Answer at 14-15.

into the GRID-C calculation.[206] However, we note that SPP has clarified that the Energy Factor is determined by averaging non-accredited generation outcomes across the futures included in the CPP-20 study scope and that the Transmission Utilization Factor is not calculated separately by future but instead reflects the expected use of the CPP-20 portfolio over time.[207]

92. We also disagree with APA's argument that the proposed cost allocation framework, including the GRID-C mechanism, is unjust and unreasonable unless the Transmission Utilization Factor, a component of the ERIS GRID-C rate calculation, is further "subject to a check" to ensure that costs are allocated to both load and interconnection customers in a manner at least roughly commensurate to benefits. As SPP explains, the Transmission Utilization Factor is not the only component of the ERIS GRID-C formula. Specifically, as noted above, the ERIS GRID-C rate is further adjusted by the Energy Factor, which quantifies the portion of transmission system usage not required for meeting accredited capacity requirements to account for the limited nature of ERIS, under which the interconnection customer may use the transmission system only on an "as available" basis. We find that SPP has demonstrated that its proposed ERIS GRID-C charge reasonably reflects the benefits of CPP upgrades to interconnection customers requesting ERIS by accounting for the limited nature of such service, such that the proposed ERIS GRID-C charge allocates the costs of CPP upgrades to such interconnection customers in a manner that is at least roughly commensurate with the benefits that they will receive from CPP upgrades. And since SPP has met its burden to demonstrate that its proposal is just and reasonable, we need not consider whether its proposal is "more or less reasonable" than alternatives APA suggests.[208]

93. We also find that the NRIS GRID-C rate will allocate costs of CPP upgrades to interconnection customers that request NRIS in a manner that is at least roughly commensurate with estimated benefits because it accounts for the costs of only those incremental upgrades in the CPP-20 portfolio needed to enable NRIS deliverability of future NRIS generating facilities. Moreover, under SPP's proposal, if an NRIS generating facility is determined to be a designated resource for load within the resource's deliverability area prior to the commercial operation date, the interconnection customer's NRIS GRID-C charge is eligible for base plan funding (i.e., paid by load)

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[206] APA Deficiency Response Protest at 9.

[207] Deficiency Response at 6-7.

[208] *Cities of Bethany v. FERC*, 727 F.2d 1131, 1136 (D.C. Cir. 1984) (finding that, when determining whether a rate was just and reasonable, the Commission properly did not consider "whether a proposed rate schedule is more or less reasonable than alternative rate designs").

subject to the existing requirements of Attachment J, section III.B of the Tariff, further ensuring that costs are allocated in a manner at least roughly commensurate to benefits.

94. SPP also proposes to calculate both subregional and regional ERIS and NRIS GRID-C charges, which is a mechanism that mirrors SPP's existing Highway/Byway cost allocation method by allocating the costs of CPP upgrades based on their voltage level, which the Commission has previously found to be consistent with the cost causation principle because it reflects the benefits that transmission facilities in the SPP region provide.[209] Consistent with the Highway/Byway cost allocation method, 100% of the costs of CPP upgrades that are EHV facilities will be allocated on a regional basis through the regional GRID-C charge, while 33% of the costs of CPP upgrades that are HV facilities will be allocated on a regional basis through the regional GRID-C charge and 67% of their costs will be allocated on a subregional basis through the subregional GRID-C charge. As such, we find that SPP's proposed regional and subregional ERIS and NRIS GRID-C charges are just and reasonable and not unduly discriminatory or preferential because they reasonably reflect the benefits that CPP upgrades that are EHV facilities and those that are HV facilities, respectively, will provide to interconnection customers based on the subregion in which an interconnection customer is requesting to interconnect its generating facility.

### ii. Directly Assigned Network Upgrade Costs

95. We find that SPP's proposal to directly assign to interconnection customers the cost of interconnection facilities, substation network upgrades at the point of interconnection, and any needed sub-100 kV network upgrades as determined in the ICS process, as well as the cost of any additional network upgrades needed for interconnections at UPILs, is just and reasonable and not unduly discriminatory or preferential and accomplishes the purposes of the Commission's final rules on generator interconnection, including Order Nos. 2003 and 2023, by helping to ensure that interconnection customers are able to interconnect to the transmission system in a

[209] *Sw. Power Pool, Inc.*, 131 FERC ¶ 61,252, at PP 73, 94 (2010) (concluding that SPP had demonstrated that EHV facilities tend to support regional power flows among the SPP zones and that lower voltage facilities tend to support local power flows within a single SPP zone), *order on reh'g*, 137 FERC ¶ 61,075 (2011); *Sw. Power Pool, Inc.*, 193 FERC ¶ 61,244 at PP 73-76 (concluding that SPP demonstrated that replacing zonal allocation with a subregional allocation for Byway facilities satisfies the cost causation principle and will allocate costs in a manner that is at least roughly commensurate with the benefits they provide).

reliable, efficient, transparent, and timely manner.[210] These facilities are neither studied in the CPP-20 transmission assessment nor included in the CPP-20 portfolio costs that are the basis for the GRID-C rates. In other words, these facilities would not be needed "but for" the requested interconnection of the specific interconnection customer to whom the costs will be directly assigned. Accordingly, we evaluate SPP's proposal to directly assign these interconnection-related costs to interconnection customers by applying our precedent concerning cost assignment for interconnection facilities and interconnection-related network upgrades.

96. As discussed above, under the Commission's pricing policy for interconnection-related network upgrades adopted in the Order No. 2003 *pro forma* large generator interconnection agreement, the costs of network upgrades that would not be needed but for the interconnection (i.e., "but for" costs) are funded initially by the interconnection customer as construction costs are incurred, unless the transmission provider elects to fund the construction itself, and then reimbursed to the interconnection customer, over time, as credits for transmission service or cash repayments.[211] However, the Commission in Order No. 2003 allowed RTOs/ISOs flexibility to propose alternative interconnection pricing mechanisms, subject to Commission approval, under the independent entity variation standard.[212] Specifically, an RTO/ISO could propose to directly assign network upgrade costs to the interconnection customer where well-defined rights to capacity made available by such network upgrades are provided to the interconnection customer.[213] As noted above, the Commission has previously approved the use of participant funding for interconnection-related network upgrades in SPP, with interconnection customers eligible to receive ILTCR as compensation.[214] Here, SPP proposes to directly assign an interconnection customer's "but for" costs – namely, the costs of additional network upgrades needed for interconnections at UPILs, and the costs of interconnection facilities and sub-100 kV network upgrades for interconnections at both UPILs and PILs. Accordingly, consistent with the Commission's prior approval of the use of participant funding for network upgrades in SPP, with interconnection

[210] Order No. 2003, 104 FERC ¶ 61,103 at PP 26, 827; Order No. 2023, 184 FERC ¶ 61,054 at P 1.

[211] Order No. 2003, 104 FERC ¶ 61,103 at PP 21, 22.

[212] *Id*. P 698.

[213] *Id*. PP 699-700.

[214] *See supra* P 5.

customers eligible to receive ILTCRs as compensation,[215] we find that SPP's proposal is just and reasonable and not unduly discriminatory or preferential and accomplishes the purposes of Order No. 2003.[216]

97. We disagree with APA's argument that SPP should directly assign to interconnection customers at UPILs only the costs necessary to raise the benefit-to-cost ratio of the particular network upgrade beyond the minimum 1.0 benefit-to-cost ratio for load.[217] As discussed above, we find that it is just and reasonable and not unduly discriminatory or preferential for SPP to continue to apply the "but for" principle with respect to: (1) additional network upgrades needed for interconnections at UPILs; and (2) interconnection facilities, substation network upgrades at the point of interconnection, and sub-100 kV network upgrades for interconnections at both UPILs and PILs. Given that these facilities would not be needed "but for" the interconnection customer's interconnection and are not identified through a transmission planning process, we find that it is just and reasonable and not unduly discriminatory or preferential for SPP to directly assign all of their costs to the interconnection customer, consistent with the Commission's approval of participant funding for interconnection-related network upgrades in SPP. As such, we need not consider whether SPP's proposal is "more or less reasonable" than other alternatives.[218] Moreover, we note that, to the extent that an interconnection-related network upgrade whose costs are directly assigned to one or more interconnection customers is identified in the CPP-10 as providing sufficient benefit to load, the interconnection customer's DAUC may be reduced or eliminated.[219]

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[215] *See Sw. Power Pool, Inc.*, 122 FERC ¶ 61,060 at P 30; *Sw. Power Pool, Inc.*, 152 FERC ¶ 61,034 at P 48.

[216] We note that SPP's proposed GCP provisions outlining the proportional impact cost allocation approach for assessing additional network upgrade costs to interconnection customers with interconnection requests at UPILs incorporates SPP's existing Order No. 2023-compliant proportional impact cost allocation method. *See* SPP, Proposed Tariff, attach. AY, § 4 (0.0.0), § 4.2.2 (Cost Allocation for Interconnection Facilities and Network Upgrades); *see also Sw. Power Pool, Inc*., 191 FERC ¶ 61,230 at P 88.

[217] APA Deficiency Response at 8-9 (citing Deficiency Response at 25).

[218] *Cities of Bethany v. FERC*, 727 F.2d at 1136.

[219] SPP, Proposed Tariff, attach. AY, § V.3 (0.0.0), § V.3.3A.1 (Planned Interconnection Location). *See also* Deficiency Response at 14-15 (explaining that to determine whether such a network upgrade provides "sufficient benefit to load,"

#### iii. Reporting

98. While we acknowledge potential concerns about escalating transmission and generator interconnection-related costs, as well as concerns that GRID-C rates could potentially become too high to be commercially viable, generator interconnection cost concerns predate the CPP proposal, and SPP has stated its intention to monitor the CPP to help ensure that costs and benefits remain aligned.[220] We also note that the proposed CPP framework provides transparency and opportunity for stakeholder participation in the transmission planning process. Moreover, we agree with SPP that not only does the CPP proposal include sufficient reporting requirements throughout the CPP-10 and CPP-20 and the SPP Transmission Expansion Plan, but also that any additional reporting may be duplicative.[221] For these reasons, we deny requests for further reporting.

### 3. Generator Connection Procedures

#### a. SPP Proposal

99. SPP proposes to study CPP interconnection requests under its proposed ICS process contained in the new GCP, which is based on SPP's existing GIP with revisions to reflect the CPP framework.[222] SPP states that the annual ICS process will begin with a 60-day queue cluster window for submission of interconnection requests that will run each year from December 15 to February 15 of the following year.[223] SPP explains that it will post the GRID-C rates and PILs for the applicable ICS on its website prior to the opening of the queue cluster window, providing interconnection customers with upfront cost certainty and optimal locations to interconnect before interconnection customers

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SPP will employ a benefit-to-cost ratio of 1.0 for justifying beneficial upgrades from the production cost simulation).

[220] SPP December 9 Answer at 17; SPP January 29 Answer at 11.

[221] SPP December 9 Answer at 6-10.

[222] Transmittal at 27, 67. The GCP will not apply to requests for small generating facilities no larger than 2 MW, generating facility replacement, generating facility modifications for an existing generating facility, surplus interconnection service, and interim interconnection service, which will remain under SPP's GIP. *See* SPP, Proposed Tariff, attach. AY, § V.2 (Scope and Application of this GCP) (0.0.0), § V.2.1 (Application of Generator Connection Procedures).

[223] Transmittal at 28; SPP, Proposed Tariff, attach. AY, § V.3 (0.0.0), § V.3.4.1 (ICS Queue Cluster Window). As described further below, the first 60-day queue cluster window will begin after an initial CPP transition period.

submit interconnection requests. SPP explains that interconnection customers must submit all required items including, among other things, a non-refundable $10,000 application fee, a study deposit, site control demonstration for 100% of the generating facility and 50% of the generating facility tie-line or financial security in lieu of demonstrating site control, and financial security in the amount equal to the greater of 20% of the GRID-C charge or $8,000/MW of the requested ERIS or NRIS maximum injection capability (Financial Security One).[224] SPP notes that the financial security amount is higher at this stage than under the current DISIS process because, under the CPP, interconnection customers have more cost certainty, which should lessen the need for interconnection customers to submit multiple, speculative interconnection requests.[225] SPP states that the queue cluster window is followed by a 60-day review period, during which an interconnection customer may resolve any deficiencies in its interconnection request.[226] SPP states that it will consider all validated interconnection requests from a single queue cluster window to be equally queued.

100. SPP states that during the 180-day ICS, it will conduct a cluster study of the impacts of the interconnection requests at their requested point of interconnection.[227] During the ICS, SPP will also conduct a facilities analysis to identify the equipment requirements and estimated cost to interconnect a generating facility to the transmission system.[228] The resulting ICS report will identify any DAUC allocated to interconnection

[224] Transmittal at 27-28; SPP, Proposed Tariff, attach. AY, § V.3 (0.0.0), § V.3.1 (Study Deposits), § V.8 (0.0.0), § V.8.2 (Execution of CPP Generator Interconnection Study Agreement).

[225] Transmittal at 29.

[226] *Id.*; SPP, Proposed Tariff, attach. AY, § V.8 (0.0.0), § V.8.3 (ICS Review Period).

[227] SPP states that it may elect not to perform certain studies described in proposed Attachment AY, section V.8.4 if the point of interconnection included in an interconnection request is at a PIL, if those studies were already performed during the CPP-20 transmission assessment identifying the PIL. Transmittal at 29, n.104 (citing SPP, Proposed Tariff, attach. AY, § V.8 (0.0.0), § V.8.4 (ICS Study)).

[228] SPP, Proposed Tariff, attach. AY, § II (0.0.0); *id.*, attach. AY, § V.8 (0.0.0), § V.8.4.4 (Facilities Analysis). The facilities analysis will identify the electrical switching configuration of the connection equipment, including: the transformer, switchgear, meters, and other station equipment; the nature and estimated cost of any transmission owner's interconnection facilities and network upgrades necessary to accomplish the interconnection; and an estimate of the time required to complete the construction and installation of such facilities. Transmittal at 29, n.107.

customers.[229] For interconnection customers with interconnection requests at PILs, the results of the facilities analysis provided with the ICS report will serve as the interconnection facilities study. For interconnection customers with interconnection requests at UPILs, the results of the facilities analysis will be incorporated into the interconnection facilities study, which will be completed after the Decision Point.

101. SPP states that once interconnection customers have received the results of the ICS, they have 20 business days to review the results of the ICS to determine whether to proceed past the Decision Point.[230] SPP explains that interconnection customers can also make non-material modifications to their interconnection requests during this time.[231] If an interconnection customer elects to proceed past the Decision Point, they must provide: (1) Financial Security Two, equal to 100% of their GRID-C charge less Financial Security One (GRID FS), plus 20% of the total DAUC allocated to the request (DAUC FS); (2) evidence of site control for 75% of the generating facility tie-line; and (3) evidence of having satisfied at least one of 10 development milestones.[232] SPP states that interconnection customers with interconnection requests at PILs are able to proceed to CPP GIA negotiations after the Decision Point unless a 30-day ICS "refresh" is required due to withdrawals or allowed modifications during the Decision Point. Interconnection requests at UPILs will be assessed to determine whether they require a restudy due to withdrawals of higher- or equally-queued interconnection requests or whether they can continue to the interconnection facilities study to determine the costs and timing of the interconnection facilities and network upgrades needed to

[229] As noted above, SPP explains that although interconnection customers connecting at PILs will generally not be responsible for network upgrade costs beyond their GRID-C charges, they are still responsible for the cost of interconnection facilities, substation upgrades at the point of interconnection, and any sub-100 kV system network upgrades identified in the ICS. Transmittal at 68-69; Raheem Test. at 19; Deficiency Response at 17; SPP, Proposed Tariff, attach. AY, § IV.3 (0.0.0), § IV.3.3.3 (Other Upgrades Not Planned for in the CPP-20 Transmission Portfolio).

[230] Transmittal at 30-31; SPP, Proposed Tariff, attach. AY, § V.8 (0.0.0), § V.8.5.1 (Decision Point). SPP states that the Decision Point deadline can be extended if cost estimates change during the 20 business days. Transmittal at 31, n.110.

[231] Transmittal at 31, n.111; Deficiency Response at 19-20; SPP, Proposed Tariff, attach. AY, § V.4 (Interconnection Request Evaluation Process) (0.0.0), § V.4.4.1 (Modifications).

[232] Transmittal 31-32; SPP, Proposed Tariff, attach. AY, § V.8 (0.0.0), § V.8.5.1 (Decision Point); Deficiency Response at 19-20.

accommodate their interconnection, before proceeding to GIA negotiations.[233] SPP states that the interconnection facilities study will be completed within 60 days of the completion of any ICS restudy, with a cost estimate with a ± 20% level of accuracy, and will be followed by a 10-day review period and a final interconnection facilities study report issued within five days after the close of the review period.[234] Interconnection customers with interconnection requests at UPILs will be directly assigned any additional system network upgrade costs based on the proportional impact of each interconnection request, which is the cost allocation method currently used in the existing DISIS process.[235]

102. SPP proposes that if an interconnection request is withdrawn after the Decision Point, the interconnection customer forfeits its GRID FS, to be credited to transmission customers.[236] Further, SPP proposes that the interconnection customer will also forfeit any applicable DAUC FS and financial security in lieu of demonstrating site control to the extent that the interconnection customer's withdrawal subjects equally-queued interconnection requests to material timing and cost impacts, unless both of the following conditions exist: (1) the total allocated costs for the withdrawn interconnection request increased by 35% or more from final posted study results at the end of the Decision Point or restudy to the interconnection facilities study; and (2) the allocated cost per MW of requested capacity increased by $15,000 per MW or more from the end of the Decision Point to the interconnection facilities study. SPP argues that these financial security forfeiture provisions are necessary to ensure that only commercially viable projects continue in the interconnection queue and to recover the GRID-C charge in case of an interconnection customer's withdrawal after the Decision Point but before fulfillment of its GRID-C obligation. SPP contends that these forfeiture requirements are necessary because transmission owners and load are factoring the outcomes of the Decision Point in the CPP-10 transmission assessment. However, SPP states that, if the interconnection request is withdrawn before the effective date of the CPP GIA, the proposed GCP allows

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[233] SPP, Proposed Tariff, attach. AY, § V.8 (0.0.0), § V.8.13 (Restudy of Interconnection Facilities Study). SPP states that restudies will take no longer than 60 days from the date of notice, with cost of restudy borne by the interconnection customer. Transmittal at 32.

[234] Transmittal at 33-34; SPP, Proposed Tariff, attach. AY, § V.8 (0.0.0), § V.8.11.c (Interconnection Facilities Study Procedures).

[235] SPP, Proposed Tariff, attach. AY, § V.4 (0.0.0), § V.4.2.2 (Cost Allocation for Interconnection Facilities and Network Upgrades).

[236] Transmittal at 32-33, 73-74; SPP, Proposed Tariff, attach. AY, § V.8 (0.0.0), § V.8.14.c (Financial Security Refund Eligibility).

for a one-time transfer of the GRID FS from the withdrawn interconnection request to an active interconnection request in a lower-queued ICS cluster within the same deliverability area.[237]

103. SPP states that at the end of the Decision Point it will also evaluate any potential available capacity at PILs due to downward modifications or withdrawals, and to the extent any additional capacity is available, SPP may consider requests previously exceeding the PIL's maximum associated MWs.[238] SPP states that an interconnection customer with a capacity request that previously exceeded the planned capacity amounts may be eligible to receive its previously requested level of interconnection service at the PIL if: (1) the interconnection customer did not reduce its capacity request because of the prior over-subscription; and (2) the full capacity amount previously requested by such interconnection customer, and any other customer satisfying the first criterion, is available as a result of the modified or withdrawn request.[239] SPP states that these criteria are necessary to avoid the need for restudies, prevent gamesmanship, and ensure the ICS's overall efficiency. SPP will also determine whether the results of the modified or withdrawn requests alleviate the need for incremental DAUC.

104. Further, SPP proposes to assess withdrawal penalties to interconnection customers that withdraw after the start of the ICS whose withdrawal impacts the timing of any interconnection request in the same cluster, which SPP states is consistent with the requirements of Order No. 2023 and comparable to the withdrawal penalty provision in the Commission's *pro forma* LGIP.[240] The proposed withdrawal penalty will be equal to any unused portion of the study deposit plus two times the actual allocated cost of all studies performed for the interconnection customer's interconnection request up until that point in the study process. Additionally, consistent with the requirements of Order No. 2023, SPP proposes to implement study delay penalties should it fail to complete studies by the applicable deadlines, beginning in the third ICS cycle.[241]

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[237] Transmittal at 32; SPP, Proposed Tariff, attach. AY, § V.8 (0.0.0), § V.8.14.b (Financial Security Refund Eligibility).

[238] Transmittal at 31; SPP, Proposed Tariff, attach. AY, § V.8 (0.0.0), § V.8.5.1 (Decision Point). *See also supra* P 59.

[239] Deficiency Response at 20.

[240] Transmittal at 74-75; SPP, Proposed Tariff, attach. AY, § V.3 (0.0.0), §§ V.3.7.1 (Withdrawal Penalty), V.3.7.2 (Calculation of the Withdrawal Penalty).

[241] Transmittal at 36-37; Raheem Test. at 36 (citing Order No. 2023, 184 FERC ¶ 61,054 at PP 962-964); SPP, Proposed Tariff, attach. AY, § V.3 (0.0.0), § V.3.9(6)

105. SPP states that the CPP GIA tender, negotiation, execution, and filing process is substantially similar to the current process in the DISIS.[242] Further, SPP proposes to include, as attachments to the GCP, *pro forma* study agreements, *pro forma* CPP GIAs, and other *pro forma* agreements that replicate most of the terms and conditions of these existing *pro forma* agreements in Attachment V.[243] SPP explains that the *pro forma* CPP GIAs also determine when payment of the GRID-C components will be due.[244] Interconnection customers will make monthly ERIS GRID-C payments beginning 30 days after the effective date of their CPP GIA and terminating 30 days prior to the expected commercial operation date of their generating facilities. Similarly, the NRIS GRID-C charge will be collected as monthly payments, but NRIS GRID-C payments will begin no later than the expected commercial operation date and will be paid over a minimum of 12 months. SPP explains that the reason for the later payment for the NRIS GRID-C is because an interconnection customer's generating facility may become a designated resource, in which case its NRIS GRID-C is eligible to be base plan funded subject to Attachment J, section III.B. Additionally, SPP proposes to include, as an attachment, an ILTCR compensation agreement for CPP interconnection customers.[245]

106. In addition, SPP explains that CPP interconnection requests will be subject to the same affected system study requirements as under the existing GIP, including being assessed for cost responsibilities under the JTIQ, if applicable.[246] SPP also proposes to

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(Penalties for Failure to Meet Study Deadlines).

[242] Transmittal at 34; s*ee* SPP, Proposed Tariff, attach. AY, § V.11 (Generator Interconnection Agreement) (0.0.0), § V.11.1 (Tender) (0.0.0).

[243] Transmittal at 101-102; SPP, Proposed Tariff, attach. AY, app. 3 (Consolidated Planning Process Generator Interconnection Study Agreement) (0.0.0); *id.*, app. 6 (CPP Generator Interconnection Agreement (CPP GIA)) (0.0.0); *id.* app. 12 (Consent to Assignment of CPP GIA)) (0.0.0); *id.,* app. 13 (CPP Generator Interconnection Agreement (For use when Western-UGP is a Party to the CPP GIA, as the Transmission Owner)) (0.0.0). SPP similarly proposes to incorporate appendices regarding procedures for wind generating plants and certification codes and standards. SPP, Proposed Tariff, attach. AY, app. 7 (Interconnection Procedures for Wind Generating Plant) (0.0.0); *id.*, app. 9 (Certification Codes and Standards) (0.0.0).

[244] Transmittal at 34, 87-88; SPP, Proposed Tariff, attach. AY, § IV.3 (0.0.0), § IV.3.3.5 (Term).

[245] Transmittal at 101; SPP, Proposed Tariff, attach. AY, app. 4 (Compensation Agreement for Interconnection Customer with CPP Generator Interconnection Agreement) (0.0.0).

[246] Transmittal at 26. The JTIQ framework enables Midcontinent Independent

include *pro forma* affected system study agreements and *pro forma* affected system facilities construction agreements for use when SPP is acting as the affected system operator, which largely replicate the *pro forma* affected system study agreements and *pro forma* affected system construction agreements contained in the GIP.[247]

107. SPP contends that the proposed GCP is just and reasonable and consistent with the purposes of Order Nos. 2003 and 2023.[248] SPP argues that while the GCP deviates from some of the requirements of Order No. 2023, it accomplishes the purposes of Order No. 2023 "to ensure that interconnection customers are able to interconnect to the transmission system in a reliable, efficient, transparent, and timely manner."[249] SPP argues that while the proposed ICS timeline contains variations from the Commission's *pro forma* LGIP, the proposed ICS timelines provide more time for interconnection customers to submit requests while still providing a single annual open window.[250] Additionally, SPP states that the stricter commercial readiness and financial security requirements in the proposed GCP reduce the submission of commercially non-viable interconnection requests and discourage late-stage withdrawals.[251] Lastly, SPP states that the withdrawal penalty structure helps mitigate issues caused by speculative interconnection requests, including study delays and the harm caused by withdrawals from the interconnection queue at various stages of the study process.[252] SPP argues that by combining and streamlining the regional transmission planning and generator

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System Operator, Inc. (MISO) and SPP to develop a portfolio of "backbone network upgrades" in both MISO and SPP to facilitate the interconnection of large amounts of generation near the seam between the RTOs to serve load in both regions. *See* JTIQ I, 189 FERC ¶ 61,108 at P 8.

[247] SPP, Proposed Tariff, attach. AY, app. 1 (Two-Party Affected System Study Agreement) (0.0.0); *id*., app. 2 (Multi-Party Affected System Study Agreement) (0.0.0); *id.*, app. 17 (Affected System Facilities Construction Agreement) (0.0.0); *id.*, app. 18 (Multi-Party Affected System Facilities Construction Agreement) (0.0.0).

[248] Transmittal at 63.

[249] *Id.* at 67 (citing Order No. 2023, 184 FERC ¶ 61,054 at P 37).

[250] *Id.* at 70.

[251] *Id.* at 71-72.

[252] *Id.* at 75.

interconnection processes, the CPP addresses the Commission's concerns regarding interconnection queue backlogs and study delays identified in Order No. 2023.[253]

108. In its Deficiency Response, SPP agrees to revise its Tariff to correct several drafting errors in the proposed GCP, if directed by the Commission. First, SPP states that proposed language regarding the allocation of system network upgrade costs to interconnection customers at UPILs in Attachment AY, section V.4.2.2(3)(c) should use the plural "Unplanned Interconnection Locations," instead of "the Unplanned Interconnection Location."[254] SPP explains that this revision would reflect that, consistent with the cost allocation under SPP's current GIP, interconnection customers at different UPILs in the same cluster cost allocation assessment group may be assessed a portion of the costs of system network upgrades.

109. Second, SPP states that, in proposed Attachment AY, section V.8.5.1, it inadvertently failed to include language providing that, to proceed past the Decision Point, an interconnection customer at a PIL is expected to provide SPP with a written indication of the interconnection customer's intent to withdraw or proceed in the ICS.[255]

110. Third, SPP states that proposed Attachment AY, section V.8.5.1 outlining the DAUC FS should be revised to state that the DAUC FS is calculated as "Twenty percent (20%) of the total Directly Assigned Upgrade Costs allocated to the Interconnection Request in accordance with Section V.4.2.2 of this Attachment AY" and remove the subsequent clause "less the amount of Financial Security One that was previously provided to enter the ICS."[256]

111. Finally, SPP states that proposed Attachment AY, section V.8.14(c), which lists the material timing impacts or increased costs to equally-queued interconnection customers that could trigger forfeiture of the DAUC FS and financial security in lieu of demonstrating site control by a withdrawing CPP interconnection customer, should not include the capitalized terms "Affected Systems Study" or "Affected System Network Upgrade."[257] SPP explains this provision should instead use non-capitalized terms, as this provision is intended to account for any material timing impacts or increased costs related to SPP interconnection customers' affected system studies conducted by

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[253] *Id.* at 67 (citing Order No. 2023, 184 FERC ¶ 61,054 at P 27).

[254] Deficiency Response at 16-17.

[255] *Id.* at 18-19.

[256] *Id.* at 19-20.

[257] *Id.* at 22-23.

neighboring transmission providers. Further, SPP states that this proposed language on material timing and cost impacts should apply to lower-queued, as well as equally-queued, interconnection requests consistent with Order No. 2023. While SPP states that it does not anticipate that impacts to lower-queued interconnection customers will be relevant given the proposed single Decision Point framework of the GCP, SPP states that it will revise this provision on compliance if directed by the Commission.

### b. Comments and Protests

112. Commenters generally support SPP's proposed GCP. Advanced Energy United, American Clean Power Association, ITC Great Plains, PIOs, and SPP TO Group contend that the proposed GCP provides interconnection customers with greater upfront cost certainty and transparency and allows for a faster interconnection process.[258] PIOs argue that the current DISIS framework, in contrast, has imbedded uncertainty and financial risk that incentivizes developers to submit speculative interconnection requests to search for the most cost-effective interconnection locations, thereby increasing the volume of the interconnection requests, leading to cycles of withdrawals and repeated restudies and delays.[259]

113. ITC Great Plains and PIOs assert that SPP's CPP proposal increases transparency and certainty through use of established PILs that send clear signals to interconnection customers regarding optimal interconnection locations.[260] In addition, Advanced Energy United, American Clean Power Association, PIOs, and SPP TO Group contend that adoption of the CPP's proposed cost allocation method allows generation developers to more effectively plan by providing greater upfront transparency regarding network upgrade costs at prospective sites for new generation.[261] American Clean Power Association and PIOs point specifically to the GRID-C mechanism as a valuable method for providing greater upfront cost certainty and transparency for generation developers and discouraging speculative requests.[262]

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[258] Advanced Energy United Comments at 12-13; American Clean Power Association Comments at 6; ITC Great Plains Comments at 5; PIOs Comments at 4; SPP TO Group Comments at 14.

[259] PIOs Comments at 3.

[260] ITC Great Plains Comments at 5; PIOs Comments at 5.

[261] Advanced Energy United Comments at 12-13; American Clean Power Association Comments at 5-6; PIOs Comments at 6; SPP TO Group Comments at 14.

[262] American Clean Power Association Comments at 6; PIOs Comments at 6.

114. Advanced Energy United and American Clean Power Association contend that the CPP allows interconnection customers to better anticipate full costs so that they can move forward in the interconnection process with less risk of unexpected network upgrade costs.[263] SPP TO Group asserts that greater transparency will facilitate a speedier interconnection process that enables developers to bring their interconnection requests online more quickly.[264] Advanced Energy United and PIOs aver that a better anticipation of full costs and timelines for the interconnection process will also reduce the need for restudies and allows for a more efficient interconnection process.[265]

115. PIOs and SPP TO Group additionally contend that the reduced number of interconnection requests in SPP will reduce administrative challenges.[266] SPP TO Group also asserts that the CPP will reduce administrative overhead costs for generation developers associated with pursuing permitting and acquisition activities at numerous prospective sites.[267]

116. Advanced Energy United and American Clean Power Association aver that the CPP process avoids upgrade costs becoming contingent on any single interconnection request, which Advanced Energy United argues leads to a high chance of cascading restudies if that interconnection request withdraws.[268] Similarly, PIOs assert that upfront cost certainty under the CPP will prevent interconnection customers from holding onto financially risky projects until late stages because it will remove any benefit interconnection customers might gain by waiting on the behavior of other interconnection customers with requests that could change total upgrade costs assigned to a given interconnection customer.[269] PIOs contend that, under the CPP proposal, one interconnection customer's actions do not affect the costs assigned to another, and thus there is no advantage to be gamed or gained by late withdrawal.

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[263] Advanced Energy United Comments at 12; American Clear Power Association Comments at 6.

[264] SPP TO Group Comments at 14.

[265] Advanced Energy United Comments at 12; PIOs Comments at 4.

[266] PIOs Comments at 6; SPP TO Group Comments at 14.

[267] SPP TO Group Comments at 14.

[268] Advanced Energy United Comments at 12-13; American Clean Power Association Comments at 6.

[269] PIOs Comments at 7 (citing Raheem Test. at 21-22).

117. Advanced Energy United, ITC Great Plains, and PIOs contend that, in addition to greater upfront cost certainty, a single Decision Point with aligned financial requirements gives interconnection customers a clearly defined point to commit to an interconnection location or withdraw, reducing restudies and delay.[270] PIOs assert that the multiple decision points in the current DISIS process allow for cycles of withdrawals, restudies, and delays, impeding the timely integration of new resources.[271] Advanced Energy United argues that a single cluster with a single Decision Point provides for a simplified and consistent interconnection queue.[272]

118. Advanced Energy United, American Clean Power Association, and PIOs also contend that the CPP will streamline the administrative study process and expedite the interconnection study timeline from the current expected 12-18 months to approximately 180 days.[273] American Clean Power Association argues that this means that new generating facilities can be built sooner, improving resource adequacy and putting downward pressure on energy prices by getting low-cost generation online faster.[274] PIOs assert that this consolidation will reduce administrative burdens, resulting in a faster, more efficient study process that in turn will accelerate the actual integration of new resources onto the SPP transmission system.[275]

119. Several commenters, including SPP TO Group, Advanced Energy United, and PIOs, contend that SPP's revisions to its generator interconnection process under the CPP are consistent with the Commission's requirements in Order No. 2023.[276] SPP TO Group argues that SPP's proposed withdrawal penalty under the CPP, for example, aligns with

[270] Advanced Energy United Comments at 12-13; ITC Great Plains Comments at 5; PIOs Comments at 7.

[271] PIOs Comments at 5.

[272] Advanced Energy United Comments at 12-13.

[273] Advanced Energy United Comments at 13; American Clear Power Association Comments at 4-5; PIOs Comments at 7.

[274] American Clean Power Association Comments at 4-5.

[275] PIOs Comments at 7.

[276] Advanced Energy United Comments at 11; PIOs Comments at 18; SPP TO Group Comments at 9.

the goals of Order No. 2023 to disincentivize speculative generation and does not meaningfully deviate from the requirements under Order No. 2023.[277]

120. PIOs note that while changes made to the DISIS process in the CPP will change certain elements of the existing DISIS process approved under the Order No. 2023 compliance filings, those changes are explicitly designed to further the Commission's objectives in Order No. 2023 to streamline the interconnection study process, reduce timelines and implement study delay penalties, increase financial commitments and commercial readiness requirements, evaluate alternative transmission technologies, and provide developers with upfront cost certainty to reduce speculative requests, in turn reducing withdrawal and restudies.[278] PIOs contend that the CPP interconnection process is superior to the minimum requirements established in Order No. 2023.

121. Advanced Energy United contends that the Commission should accept the CPP under the independent entity variation standard from the Commission's *pro forma* LGIP.[279] Advanced Energy United asserts that SPP's proposed two-stage financial security framework, which ties financial security amounts to the GRID-C charge plus any DAUC, satisfies the independent entity variation standard because it reduces speculative requests and late-stage withdrawals. Advanced Energy United states that the enhanced financial security requirements are just and reasonable because they balance increased upfront financial commitment with increased upfront cost certainty and transparency, better ensuring that only viable projects enter the queue, and are aligned with the intent in Order No. 2023 to offer interconnection customers more certainty and better access to information to prevent delays.[280] Additionally, Advanced Energy United notes that, should SPP fail to meet study timelines, it must pay penalties consistent with Order No. 2023.[281] Advanced Energy United contends that these timelines and non-compliance penalties will incentivize timely completion, are just and reasonable, and meet the Commission's objectives in Order No. 2023 by ensuring that interconnection customers

[277] SPP TO Group Comments at 9 (citing SPP, Proposed Tariff, attach. AY, § V.3 (0.0.0), § V.3.7.1 (Withdrawal Penalty); Order No. 2023, 184 FERC ¶ 61,054 at P 781).

[278] PIOs Comments at 16-18.

[279] Advanced Energy United Comments at 11 (citing Order No. 2023, 184 FERC ¶ 61,054).

[280] *Id.* at 12 (citing Order No. 2023, 184 FERC ¶ 61,054 at P 5).

[281] *Id.* at 13 (citing Transmittal at 36).

are able to interconnection to the transmission system in a reliable, efficient, transparent, and timely manner.[282]

122. Further, Advanced Energy United asserts that the CPP proposal upholds the Commission's open-access principles and is not unduly discriminatory or preferential because it establishes a transparent and uniform framework that applies equally to all interconnection customers, regardless of technology type, ownership structure, or business model.[283]

123. Conversely, Savion argues that SPP's proposed requirement that interconnection customers who request to interconnect at UPILs provide the GRID FS payment before receiving their interconnection facilities study results is unjust and unreasonable and unduly discriminatory and preferential.[284] Savion explains that interconnection customers with interconnection requests at PILs receive their final interconnection facilities study results as part of the facilities analysis, before the close of the Decision Point and thus before submission of the GRID FS, whereas interconnection customers with interconnection requests at UPILs will not receive their final interconnection facilities study results until after the Decision Point and thus after submission of the GRID FS. Savion asserts that this aspect of SPP's proposed GCP will result in unduly discriminatory treatment of interconnection customers requesting to interconnect at a UPIL, as compared to an interconnection customer requesting to interconnect at a PIL. Savion further asserts that interconnection customers with interconnection requests at PILs that are directly assigned costs of sub-100 kV network upgrades will similarly not know their full interconnection costs until receiving the results of an interconnection facilities study after the Decision Point, creating an unjust and unreasonable process that discriminates *between* interconnection customers with interconnection requests at PILs.[285] Savion proposes options for revising the CPP proposal to address this issue, including: (1) allowing interconnection customers with interconnection requests at UPILs to post GRID FS within 20 days after receipt of their interconnection facilities study results; (2) allowing interconnection customers with interconnection requests at UPILs to withdraw and receive a full refund of their GRID FS payment if their total cost allocation increases 20% or more above their allocated amount prior to the study; or (3) requiring interconnection customers with interconnection requests at both PILs and UPILs to post

[282] *Id*.

[283] *Id.* at 13-14 (citing Order No. 2023, 184 FERC ¶ 61,054 at P 177).

[284] Savion December 8 Protest at 6-7; Savion January 26 Protest at 4-5.

[285] Savion January 26 Protest at 11.

their GRID FS after all interconnection customers have received their interconnection facilities study results.[286]

124. Savion also contends that the proposed generator tie-line site control requirements in the GCP will incentivize interconnection customers to prevent other interconnection customers from accessing PILs. Specifically, Savion asserts that SPP's proposed requirement that interconnection customers must demonstrate 75% site control for the generating facility's tie-line at the Decision Point will create a "perverse incentive" for generation developers to secure all the land around each PIL to prevent other developers from also interconnecting at the PIL.[287] Savion asserts that competition for PIL access will become unduly discriminatory or preferential if a single developer buys, leases, or secures easements or other forms of rights-of-way for all the land around a PIL to close out competing generation developers. Savion suggests that the Commission thus require that SPP provide periodic reporting on site control, land access, and PIL access.

125. Savion further contends that certain clarifications provided by SPP do not accord with proposed Tariff provisions.[288] First, Savion argues that SPP's statement that, under the CPP proposal, interconnection customers at PILs may be required to pay for system network upgrades at an operating voltage of 100 kV or less conflicts with proposed language in Attachment AY, section V.4.2.2.1 stating that "[n]o DAUC for any System Network Upgrades will be assessed if the Interconnection Customer interconnects its Generating Facility at a [PIL] where the available capacity has not been exceeded."[289] Further, Savion asserts that SPP has not explained why an interconnection customer at a PIL would need to provide a written indication of intent to bypass the interconnection facilities study given that proposed Attachment AY, section V.4.2.2.1 states that an interconnection customer at a PIL cannot be assessed DAUC for system network upgrades.[290] Savion also argues that the proposed Tariff does not address what would happen if the facilities analysis results in the need for network upgrades with a nominal operating voltage of 100 kV or less for an interconnection customer with an interconnection request at a PIL, which would then need to be studied in an interconnection facilities study subsequent to the Decision Point.

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[286] Savion December 8 Protest at 8.

[287] *Id.* at 11-12.

[288] Savion January 26 Protest at 7-10 (citing Deficiency Response at 17-19).

[289] *Id*. at 8-9 (citing Deficiency Response at 17-19; SPP, Proposed Tariff, attach AY, § V.4 (0.0.0), § V.4.2.2.1 (GRID Contribution)).

[290] *Id*. at 9.

126. Several commenters request that the Commission require SPP to provide reporting on implementation of the interconnection process.[291] SPP TO Group suggests that SPP should provide periodic reports on transfers of GRID FS to active interconnection requests in subsequent ICS clusters, which the CPP proposal allows for when an interconnection customer withdraws between the Decision Point and the GIA effective date.[292] SPP TO Group asserts that periodic information reports on the use of such transfers would prevent gaming and discourage disruptive withdrawals. Similarly, Advanced Energy United states that the Commission may wish to consider requiring updates on CPP implementation to create a public record of its performance by documenting success metrics, such as time to interconnection, queue-length reductions, cost savings, withdrawal rates, and frequency of restudies. Advanced Energy United argues that any measures reported could provide a public record for other regions to follow to improve interconnection queues and fortify the transmission system even if the Commission does little with the reported information.[293]

### c. Answers

127. In response to SPP TO Group's request for reporting on GRID FS transfers, SPP notes that SPP TO Group does not explain how allowing an interconnection customer to transfer its GRID FS to a future interconnection request, allowed under the proposed GCP, would constitute "gaming" or how periodic informational reports on the use of such transfers would prevent such gaming without exposing the confidential information of interconnection customers taking advantage of this accommodation.[294]

128. In response to Savion's concerns regarding financial security requirements, SPP argues that its proposed financial security and forfeiture requirements reduce speculative interconnection requests and late-stage withdrawals and ensure that the GRID-C funding will materialize, which is fundamental to the CPP design.[295] SPP explains that it is necessary for all interconnection customers to commit to pay the GRID-C charge through the non-refundable GRID FS at the Decision Point in order for SPP to conduct the CPP-10 transmission assessment with any level of certainty. SPP contends that the proposed CPP financial security and forfeiture requirements are not unduly discriminatory or

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[291] Advanced Energy United Comments at 15-16; SPP TO Group Comments at 14-15.

[292] SPP TO Group Comments at 14-15.

[293] Advanced Energy United Comments at 15-16.

[294] SPP December 9 Answer at 11-12 (citing SPP TO Group Comments at 15).

[295] SPP December 18 Answer at 7-9.

preferential because interconnection customers that elect to interconnect at UPILs are not similarly situated to those that elect to interconnect at PILs. SPP contends that interconnection customers that elect to interconnect at UPILs accept the potential risks of greater cost uncertainty. SPP also asserts that an interconnection customer seeking to interconnect at a PIL is electing to interconnect at a location where existing or planned transmission capacity will be sufficient to accommodate new generation and, as a result, it generally will not be responsible for additional network upgrade costs beyond its GRID-C because the transmission system will be able to accommodate its interconnection at that location with existing and planned transmission capacity.[296] SPP thus argues that such interconnection customer will cause less transmission expansion costs than an interconnection customer that elects to interconnect at a location where there may not be sufficient transmission capacity to accommodate the interconnection and may require additional upgrades.

129. SPP TO Group similarly disagrees with Savion and argues that it is not unduly discriminatory to provide interconnection customers with interconnection requests at PILs with greater cost certainty relative to interconnection customers with interconnection requests at UPILs because the latter voluntarily choose to interconnect at locations that have not been previously studied and, therefore, bear the burden of their interconnection in the form of additional studies and less upfront cost certainty.[297] Further, SPP TO Group argues that, even though total DAUC for interconnection customers with interconnection requests at UPILs are not "absolutely certain" at the time of GRID FS payment, the facilities analysis provides a general idea of DAUC prior to the Decision Point.[298] SPP TO Group also highlights that SPP has built flexibility into the CPP proposal for interconnection customers with interconnection requests at UPILs by allowing such interconnection customers the one-time opportunity to transfer their GRID FS for their withdrawn requests to an active interconnection request under certain circumstances.[299] SPP TO Group further contends that it is necessary for interconnection customers with interconnection requests at UPILs to pay the GRID FS prior to the end of the Decision Point to confirm their commitment to interconnect, lest SPP risk incentivizing speculative interconnection requests, thereby undermining one of the central purposes of the CPP.[300] Finally, SPP TO Group asserts that the Commission

[296] *Id*. at 11-12.

[297] SPP TO Group December 19 Answer at 11-12 (citing Transmittal at 25; SPP, Proposed Tariff, attach. AY, § IV.1.4).

[298] SPP TO Group December 19 Answer at 8.

[299] *Id.* at 9-11 (citing Transmittal at 32, 74).

[300] SPP TO Group December 19 Answer at 12 (citing Transmittal at 13).

should reject Savion's alternative proposals, which SPP TO Group contends would constitute a major modification to the CPP.[301]

130. Further, SPP argues that Savion's concerns regarding site control requirements are speculative and notes that its existing GIP contains a requirement for interconnection customers to demonstrate 75% site control for the generating facility tie-line at the Decision Point.[302] SPP asserts that Savion does not explain why use of PILs would create a "perverse incentive" regarding land acquisition and site control, how periodic reporting would prevent such incentives, or why reporting potentially confidential information would be appropriate. SPP TO Group similarly states that Savion's request is unnecessary and burdensome.[303]

131. In addition, SPP rebuts Savion's arguments that the proposed Tariff provisions conflict with SPP's explanation regarding the assignment of DAUC to interconnection customers at PILs for network upgrades with a nominal voltage less than or equal to 100 kV.[304] SPP states that, when read together, proposed sections IV.3.3 and V.4.2.2.1 of Attachment AY make clear that interconnection customers with interconnection requests at PILs will generally not be responsible for DAUC associated with system network upgrades *except* for those that are not included in the calculation of the GRID-C rate (i.e., upgrades operating at 100 kV and below).[305] In addition, SPP clarifies that for interconnection customers connecting at PILs, network upgrades operating at or below 100 kV will be identified during the facilities analysis, which occurs before the Decision Point, and such customers will not be subject to an interconnection facilities study.[306] SPP argues that this addresses Savion's concern that interconnection customers with

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[301] *Id*. at 12-14.

[302] SPP December 18 Answer at 15-16 (citing SPP, Tariff, attach. V, § 8 (26.0.0), §§ 8.5.1 (Decision Point One), 8.5.2 (Decision Point Two)).

[303] SPP TO Group December 19 Answer at 2.

[304] SPP January 29 Answer at 3-7 (citing Savion January 26 Protest at 7-9).

[305] *Id*. at 4-5 (citing SPP, Proposed Tariff, attach. AY, § IV.3 (0.0.0), §§ IV.3.3 (Grid Contribution Structure), IV.3.3.1 (Region-Wide GRID Rate Components), IV.3.3.2 (Subregional GRID Rate Components), and IV.3.3.3 (Other Upgrades Not Planned for in the CPP-20 Transmission Portfolio)).

[306] SPP January 29 Answer at 6.

interconnection requests at PILs that are directly assigned the cost of network upgrades at 100 kV or below will be subject to discriminatory treatment.[307]

132. Finally, SPP argues that the Commission should deny commenters' requests for additional reporting requirements because such requirements are unnecessary, duplicative, and burdensome.[308] SPP explains that, pursuant to its proposed Tariff, reporting on generator interconnection will include, among other things: (1) maintenance of quarterly updates and statistics related to processing of interconnection studies on its website, including ICS, ICS restudy, and interconnection facilities studies processing times; (2) statistics on queue withdrawal; and (3) statistics on any penalties assessed to SPP for failure to meet study deadlines.[309]

### d. Commission Determination

133. As noted above, the Commission applies an independent entity variation standard to evaluate RTO/ISO proposals for deviations from the Commission's *pro forma* generator interconnection procedures and *pro forma* interconnection agreements. Under the independent entity variation standard, SPP must demonstrate that its proposed variations are just and reasonable and not unduly discriminatory or preferential and accomplish the purposes of Order No. 2003 and the Commission's subsequent final rules on generator interconnection, including, as relevant here, Order No. 2023.[310] As

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[307] *Id.* at 7.

[308] SPP December 9 Answer at 6.

[309] *Id.* at 9-10 (citing SPP, Proposed Tariff, attach. AY, § V.3 (0.0.0), §§ V.3.5 (OASIS Posting), V.3.5.2 (Requirement to Post Interconnection Study Metrics), V.3.5.2.1 (ICS Process Time), V.3.5.2.2 (ICS Restudies Processing Time), V.3.5.2.3 (Interconnection Facilities Studies Processing Time), V.3.5.2.4 (Interconnection Service Requests Withdrawn from Interconnection Queue), V.3.9 (Penalties for Failure to Meet Study Deadlines)).

[310] *See, e.g., Sw. Power Pool, Inc.*, 183 FERC ¶ 61,215, at P 30 (2023). SPP proposes to maintain provisions for surplus interconnection service and provisional (termed "interim") interconnection service in its GIP, as required by Order No. 845. *See Reform of Generator Interconnection Procs. & Agreements*, Order No. 845, 163 FERC ¶ 61,043, at PP 438, 477 (2018), *order on reh'g*, Order No. 845-A, 166 FERC ¶ 61,137, *order on reh'g*, Order No. 845-B, 168 FERC ¶ 61,092 (2019). *See also supra* P 99, n.224. *See also* SPP Tariff, attach. V, § 3 (27.0.0), § 3.3 (Utilization of Surplus Interconnection Service), app. 15 (Surplus Interconnection Service Impact Study Agreement), app. 16 (Surplus Interconnection Service Facilities Study Agreement); *id*. § 11A (14.0.0) (Interim Generator Interconnection Agreement (Interim GIA)),

discussed further below, we find that SPP's proposed GCP satisfies the independent entity variation standard because it is just and reasonable and not unduly discriminatory or preferential and accomplishes the purposes of Order Nos. 2003 and 2023 by helping to ensure that interconnection customers are able to interconnect to the transmission system in a reliable, efficient, transparent, and timely manner.[311] We specifically address below two significant aspects of SPP's proposed GCP that deviate from the Commission's *pro forma* LGIP and SPP's existing GIP.

134. First, SPP's proposed GCP deviates in part from the interconnection study timing requirements set forth in Order No. 2023 and reduces the overall timing of the interconnection process compared to its existing DISIS process by: (1) condensing its queue cluster window from 11 months to 2 months; (2) providing a 60-day ICS review period to resolve any deficiencies in interconnection requests; (3) condensing its two-phased DISIS cluster study into a single, 180-day ICS study period with a single Decision Point; (4) using the results of the facilities analysis contained in the ICS study report as the interconnection facilities study results for interconnection customers with interconnection requests at PILs and shortening the interconnection facilities study for interconnection customers with interconnection requests at UPILs to 60 days; and (5) updating, or "refreshing," the ICS study report for interconnection customers with interconnection requests at PILs as well as performing up to one ICS restudy for interconnection customers with interconnection requests at UPILs, if necessary. These provisions, in combination with increased financial security requirements and withdrawal penalties, discussed further below, will create a more streamlined and efficient interconnection study process with reduced potential for restudies and attendant delays. Accordingly, we find that SPP's interconnection study timelines under the CPP accomplish the purposes of Order No. 2023 to ensure an efficient and timely interconnection process.

135. Second, SPP's proposed financial security requirements, based on the interconnection customer's GRID-C charge and DAUC, are higher and more stringent than those required in Order No. 2023, as well as the financial security requirements the

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app. 5 (Interim Availability Interconnection System Impact Study Agreement), app. 8 (Interim Generator Interconnection Agreement).

[311] *See* Order No. 2003, 104 FERC ¶ 61,103 at PP 26, 827; Order No. 2023, 184 FERC ¶ 61,054 at P 1. We note that many of SPP's proposed deviations from the requirements of Order Nos. 2023 and 2023-A in the GCP mirror existing language in SPP's GIP for which SPP was previously granted an independent entity variation in its Order No. 2023 compliance proceeding.

Commission accepted in SPP's Order No. 2023 compliance proceeding.[312] However, as SPP explains, under the CPP framework, interconnection customers are provided greater upfront cost certainty before entering the ICS. Given this additional certainty, we find that it is just and reasonable to require interconnection customers to provide greater financial security. At the same time, we find that the higher financial security requirements will reduce speculative interconnection requests and help to ensure that only commercially viable interconnection requests enter the interconnection queue. Further, we find that SPP's proposal to make the GRID FS non-refundable for all interconnection customers after the Decision Point is just and reasonable and not unduly discriminatory or preferential because SPP incorporates information about both the interconnection customers and the GRID-C contribution amounts from the Decision Point into the transmission assessment under the CPP-10. Allowing interconnection customers to proceed past the Decision Point without committing to the non-refundable GRID FS would thus undermine SPP's ability to streamline and integrate regional transmission planning and generator interconnection processes in the CPP-10. Therefore, we find that these provisions accomplish the purposes of Order No. 2023 by deterring speculative interconnection requests and late-stage withdrawals. Similarly, we find that SPP's proposed inclusion of a withdrawal penalty under the CPP will further disincentivize late-stage withdrawals.[313]

136. We disagree with Savion that the proposed financial security requirements are unduly discriminatory toward interconnection customers that request to interconnect at UPILs compared to those at PILs. Rather, we believe SPP has sufficiently explained that, for the CPP to be effective, it is necessary for all interconnection customers – both those seeking to interconnect at PILs and those seeking to interconnect at UPILs – to provide the GRID FS at the Decision Point so that it can conduct the CPP-10 transmission assessment with sufficient certainty. Moreover, interconnection customers seeking to interconnect at UPILs will require additional study after the Decision Point as a result of their choice to seek to interconnect at locations that SPP has not studied through its CPP. By electing to interconnect at a UPIL rather than at a PIL, interconnection customers knowingly and voluntarily forego greater cost certainty in exchange for greater flexibility in their point of interconnection or requested maximum interconnection capacity. As such, we find that interconnection customers seeking to interconnect at UPILs are not

[312] Order No. 2023, 184 FERC ¶ 61,054 at PP 691-693; *see also pro forma* LGIP, §§ 1, 3.4.2, 7.5, 8.1, 11.3.; *see also Sw. Power Pool, Inc*., 191 FERC ¶ 61,230, at P 119 (2025); *see also* SPP, Tariff, attach. V, § 8 (19.0.2), §§ 8.2 (Execution of Generator Interconnection Study Agreement), 8.5.1 (Decision Point One), 8.5.2 (Decision Point Two).

[313] Order No. 2023, 184 FERC ¶ 61,054 at P 781; *see also pro forma* LGIP § 3.7.1.

similarly situated to those seeking to interconnect at PILs, and therefore that requiring interconnection customers at UPILs to provide the GRID FS at the Decision Point despite having comparatively less certainty about their ultimate cost responsibility than interconnection customers at PILs is not unduly discriminatory.

137. We also disagree with Savion that SPP's proposed financial security requirements unduly discriminate against those interconnection customers with interconnection requests at PILs that are assigned DAUC for interconnection-related network upgrades at a nominal operating voltage of 100 kV or below. We find this argument unpersuasive because, as SPP states, Savion misunderstands SPP's proposal. As SPP explains, for interconnection customers interconnecting at PILs, any necessary interconnection-related network upgrades at a nominal operating voltage of 100 kV or below will be identified during the facilities analysis, prior to the Decision Point, and will not be subject to an additional interconnection facilities study.[314] Therefore, these interconnection customers will not be treated any differently than interconnection customers interconnecting at PILs whose interconnection requests do not require any necessary interconnection-related network upgrades at a nominal operating voltage of 100 kV or below and, similarly, will not be subject to an additional interconnection facilities study.

138. However, we agree with Savion that proposed Attachment AY, section V.4.2.2.1 does not reflect that, under the CPP, interconnection customers at PILs may be assigned DAUC for needed network upgrades with a nominal operating voltage of 100 kV or below.[315] Despite SPP's contention that proposed Attachment AY, sections V.4.2.2.1 and IV.3,[316] when read together, reflect that interconnection customers with interconnection requests at PILs may be assigned DAUC for needed network upgrades with a nominal operating voltage of 100 kV or below,[317] we find that the proposed language in section V.4.2.2.1 may create confusion because it explicitly states that "[n]o DAUC for any System Network Upgrades will be assessed if the Interconnection Customer interconnects its generating facility at a [PIL] where the available capacity has not been exceeded." Therefore, we direct SPP to submit, within 30 days of the date of

[314] SPP January 29 Answer at 5-7.

[315] Savion January 26 Protest at 7-9.

[316] SPP January 29 Answer at 3-4. Proposed Attachment AY, section IV.3.3.3 provides that network upgrades driven solely by interconnection customer needs may be subject to direct assignment of costs, including "Interconnection Facilities and Network Upgrades with a nominal operating voltage level less than or equal to 100 kV." SPP, Proposed Tariff, attach. AY, § IV.3 (0.0.0), § IV.3.3.3 (Other Upgrades Not Planned for in the CPP-20 Transmission Portfolio).

[317] SPP January 29 Answer at 4.

this order, a further compliance filing to revise Attachment AY, section V.4.2.2.1 of its Tariff to clarify that interconnection customers with interconnection requests at PILs may be assigned DAUC for needed network upgrades with a nominal operating voltage of 100 kV or below, consistent with SPP's explanation in its Deficiency Response and January 29 Answer.[318]

139. We disagree with Savion that the requirement for interconnection customers to demonstrate 75% site control for the generating facility tie-line at the Decision Point will create a "perverse incentive" for generation developers to secure land around each PIL to close out competition. Further, we believe that Savion's concern is speculative and is sufficiently mitigated by the fact that SPP anticipates identifying hundreds of PILs.[319] We note that this site control requirement currently exists in SPP's GIP and find that this requirement remains just and reasonable as applied to the proposed GCP.[320] Specifically, we find that the requirement helps ensure that interconnection customers that elect to proceed beyond the Decision Point are not speculative and have acquired appropriate site control.

140. We deny commenters' requests for further reporting requirements. While we acknowledge the importance of transparency in interconnection study processes, the Commission requires posting of certain statistics related to the timing and processing of interconnection studies as well as reporting on delays, which are reflected in SPP's existing GIP as well as its proposed GCP.[321] We agree with SPP that the CPP proposal includes ample reporting requirements via interconnection study metrics reporting, penalty summary statistics, and other data, and that additional reporting may be burdensome and duplicative.[322]

141. Further, we recognize SPP's commitment in its Deficiency Response to correct on compliance several errors in proposed Attachment AY, section V by: (1) replacing

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[318] Deficiency Response at 17; SPP January 29 Answer at 3-4.

[319] Transmittal at 26; Raheem Test. at 19 (explaining that the CPP transition study has identified over 680 potential PILs that could accommodate upwards of 250 GWs of new interconnection requests).

[320] SPP Tariff, attach. V, § 8 (26.0.0), § 8.5.2 (Decision Point Two).

[321] Order No. 845, 163 FERC ¶ 61,043 at P 305. *See* SPP, Tariff, attach. V, § 3 (Interconnection Requests) (27.0.0), § 3.5.2 (Requirement to Post Interconnection Study Metrics); SPP, Proposed Tariff, attach. AY, § V.3 (0.0.0), §§ V.3.5.2 (Requirement to Post Interconnection Study Metrics).

[322] SPP December 9 Answer at 6-10.

certain references to a single UPIL with references to multiple UPILs in Attachment AY, section V.4.2.2(3)(c) to clarify that interconnection customers with interconnection requests at different UPILs in the same cluster cost allocation assessment group may be assessed a portion of the costs of system network upgrades; (2) adding Tariff language providing that, to proceed past the Decision Point, an interconnection customer with an interconnection request at a PIL is expected to provide SPP with a written indication of the interconnection customer's intent to withdraw or proceed in the ICS; (3) removing the clause "less the amount of Financial Security One" in Attachment AY, section V.8.5.1, such that the sentence will read "DAUC FS: Twenty percent (20%) of the total Directly Assigned Upgrade Costs allocated to the Interconnection Request in accordance with Section V.4.2.2 of this Attachment AY;" and (4) replacing the capitalized terms "Affected Systems Study" and "Affected System Network Upgrade" with non-capitalized terms in Attachment AY, section V.8.14(c).[323] We find that these revisions will help clarify the GCP. Accordingly, we direct SPP to submit, within 30 days of the date of this order, a further compliance filing to revise Attachment AY to make these corrections. However, we decline to require SPP to revise the financial security forfeiture provisions in Attachment AY, section V.8.14(c) to apply to impacts to lower-queued, in addition to equally-queued, interconnection requests given SPP's explanation that it does not anticipate impacts to lower-queued interconnection requests, as the ICS framework uses a single Decision Point and provides for limited restudy.[324]

142. In addition, we direct SPP to further clarify when it will post GRID-C rates. As noted above, SPP states that posting GRID-C rates and PILs for the applicable ICS prior to the opening of the queue cluster window will provide interconnection customers with upfront cost certainty and optimal locations to interconnect before interconnection customers submit their interconnection requests.[325] Proposed Attachment AY, section V.4.2.2.1 reflects this timing requirement for the GRID-C posting.[326] However, proposed Attachment AY, section IV.3.3 states that GRID-C rates are set "before the closing of" the queue cluster window to which they apply.[327] Accordingly, we direct SPP to submit, within 30 days of the date of this order, a further compliance filing to revise Attachment

[323] *See supra* PP 108-111; *see also* Deficiency Response at 16-23.

[324] Deficiency Response at 23.

[325] *See supra* P 99; *see also* Transmittal at 28, 95.

[326] SPP, Proposed Tariff, attach. AY, § V.4 (0.0.0), § V.4.2.2.1 (Grid Contribution) ("The calculation method for the GRID Contribution is detailed in Section IV.3 of this Attachment AY of the Tariff and the results shall be posted *prior to the opening* of the annual ICS Queue Cluster Window." Emphasis added).

[327] *Id.*, attach. AY, § IV.3 (0.0.0), IV.3.3 (Grid Contribution Structure).

AY, section IV.3.3 to require that, consistent with Attachment AY, section V.4.2.2.1, SPP will post GRID-C rates prior to the opening of the relevant ICS queue cluster window.

### 4. Transition

#### a. SPP Proposal

143. SPP proposes a transition period for implementing the Transmission Assessment Procedures under the CPP.[328] SPP states that the first CPP planning cycle will be limited to two years, with CPP-10 transmission assessments performed in each year and no initial CPP-20 transmission assessment. SPP explains that the initial GRID-C rates will be calculated, and initial PILs identified, in a CPP "transition study" to be completed by SPP prior to the first CPP planning cycle and posted on SPP's website.[329] SPP explains that the purpose of the transition study is to align technical assumptions between the previous ITP Assessment processes, the 20-Year Assessment, and the new CPP. SPP states that it has already commenced the transition study as part of its current 20-Year Assessment process, which is expected to be completed by the end of 2026, to enable work to begin on GRID-C rate and PIL identification in an expedited manner.

144. SPP states that, assuming a March 1, 2026 effective date for the proposed Tariff provisions in this filing, SPP anticipates commencing the first CPP planning cycle on March 1, 2026, and concluding the first CPP-10 in 2028, with the initial ICS queue cluster window opening 30 days after the requested effective date (i.e., April 1, 2026), and closing 60 days after the date that SPP posts the initial GRID-C rate.[330] SPP states that it expects to post the initial GRID-C rate by the end of 2026. However, SPP explains that, under the proposed transition procedures, if a DISIS queue cluster window has commenced prior to the effective date of the Tariff provisions in the instant filing, and the DISIS queue cluster window has not yet closed, all interconnection customers with requests in that DISIS queue cluster window may either transition their requests to the

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[328] Transmittal at 40; SPP, Proposed Tariff, attach. AY, § IV.1 (0.0.0), § IV.1.13 (Transition from ITP Assessment to CPP).

[329] Transmittal at 40; SPP, Proposed Tariff, attach. AY, § IV.3 (0.0.0), § IV.3.9 (Initial GRID Contribution).

[330] Transmittal at 40; SPP, Proposed Tariff, attach. AY, § V.5 (Transition to GCP Procedures) (0.0.0). Under the proposed transition provisions, SPP may extend the initial queue cluster window for the ICS by 60 days beyond its originally scheduled closure date. Transmittal at 40 (citing SPP, Proposed Tariff, attach. AY, § V.5 (0.0.0), § V.5.1.2 (Current Open Cluster Windows)).

ICS or withdraw from the DISIS interconnection process without any forfeiture of study deposits or financial securities.[331]

**b. Comments and Protests**

145. APA asserts that the CPP transition and transition study may result in a portfolio that far exceeds the cost estimates used in vetting the CPP GRID-C formula in the stakeholder process without any additional generation being added to the study.[332] Specifically, APA asserts that the CPP transition study has deviated from what stakeholders approved by deferring some 765 kV transmission projects, potentially exceeding $30 billion in costs, that were identified in the ITP 2025 to the CPP transition. APA argues that these 765 kV transmission projects will increase initial GRID-C rates without providing corresponding benefits. APA requests that SPP commit to explore means of addressing unintended consequences of the transition study and its impacts on the GRID-C rate.[333] APA additionally requests that SPP continue to identify reliability and cost effectiveness benefits after the transition study, develop a mechanism to track GRID-C payments, and measure benefits to those paying the GRID-C charge to ensure that interconnection customers continue to receive benefits.[334]

146. Further, APA argues that as SPP transitions from the ITP and DISIS frameworks to the CPP, existing interconnection customers in either the DISIS or the Expedited Resource Adequacy Study (ERAS)[335] queues may interconnect at some planned PILs prior to the CPP start and, thus, be able to access the PILs without paying GRID-C charges.[336] Thus, APA argues that CPP interconnection customers will pay GRID-C rates based on an assumed transmission capacity that will, in reality, be lower due to interconnection customers in the ERAS and 2024 DISIS.[337] APA contends that either the

[331] Transmittal at 41; SPP, Proposed Tariff, attach. AY, § V.5 (0.0.0), § V.5.1.2 (Current Open Cluster Windows). SPP states that the next DISIS queue cluster window would open the earlier of April 1, 2026, or the completion of Decision Point Two for the DISIS-2024 interconnection cluster.

[332] APA Protest at 7-8; APA Deficiency Response Protest at 5-6.

[333] APA Deficiency Response Protest at 7.

[334] *Id.* at 7-8.

[335] SPP, Tariff, attach. AW (ERAS Procedures) (0.0.0).

[336] APA Protest at 8; APA Deficiency Response Protest at 5.

[337] APA Deficiency Response Protest at 5.

GRID-C rates should be adjusted to account for the PILs "taken" by interconnection customers that are not subject to the GRID-C charge, or SPP should be required to update the sites that are no longer available and ensure that the costs of the CPP upgrades needed to facilitate those PILs are not passed on to CPP interconnection customers.[338] As discussed above, APA urges the Commission to require SPP to periodically report on how transition costs will be managed, segmented, and allocated by providing compliance reports for the first two CPP cycles.[339]

147. PIOs similarly note that challenges in the CPP transition study include establishing an initial set of PILs that remain unaffected by the parallel interconnection studies currently underway in SPP and ensuring that the initial GRID-C rate does not exceed commercial viability thresholds.[340] PIOs urge the Commission to accept the CPP proposal but also to "exert heightened oversight during the transitionary period and direct SPP to implement robust safeguards to ensure that it is as efficient and successful as possible."[341]

### c. Answers

148. SPP argues that concerns that the recent deferrals of potential transmission upgrades from the ITP 2025 will increase GRID-C rates for the first CPP cycle are speculative.[342] Further, SPP argues that APA does not explain why the costs of 765 kV transmission projects that will benefit interconnection customers in addition to load should not be included in the GRID-C rate. SPP also notes that it has implemented protections to ensure that certain pre-existing issues are not reflected in the GRID-C rate, such as the stability-related upgrades necessary to accommodate ERAS interconnection requests, which were deferred to the ITP. Further, SPP emphasizes that the transition study process provides ample transparency and allows for robust stakeholder involvement in both designing the study scope and identifying potential solutions. In addition, as noted above, SPP also states that, consistent with its cost allocation reporting practices, it intends to monitor on an ongoing basis the CPP and its benefits to both load and generation to help ensure that benefits remain reasonably commensurate with allocated

[338] APA Protest at 8; APA Deficiency Response Protest at 5.

[339] *See supra* P 85; APA Protest at 8.

[340] PIOs Deficiency Response Comments at 2.

[341] *Id.* at 1-3.

[342] SPP December 9 Answer at 16 (citing APA Protest at 8); SPP January 29 Answer at 9-10.

costs.[343] SPP notes that stakeholders will have the opportunity to work with SPP to develop a detailed and transparent methodology for identifying generator benefits under the CPP, including the transition phase, for incorporation into the CPP Manual.

149. SPP also disagrees with commenters' concerns that interconnection customers in SPP's ERAS or 2024 DISIS process will "take away" benefits to interconnection customers by interconnecting at PILs.[344] SPP argues that such criticisms are speculative and unavailing, as the initial PILs will be based on the results of the CPP transition study and, thus, have not yet been determined, and the transition study process provides for stakeholder participation. SPP further argues that commenters do not explain or provide any evidence to support how the ERAS or DISIS interconnection processes have or will "take away" PILs that have yet to be identified.

### d. Commission Determination

150. We find that SPP's proposed process to transition from its existing transmission planning and generator interconnection processes to the CPP is just and reasonable and not unduly discriminatory or preferential. As SPP explains, the CPP transition study will align the existing ITP Assessment processes and the existing 20-Year Assessment with the new CPP and identify initial GRID-C rates and PILs. Furthermore, while interconnection customers participating in the initial ICS will not receive information on GRID-C rates prior to the commencement of the queue cluster window, as they would under the regular CPP process, SPP will post GRID-C rates at least 60 days in advance of the close of the queue cluster window, allowing time for interconnection customers to incorporate this information into their decision-making.

151. In response to APA's concerns about the potential inclusion of certain deferred and new 765 kV network upgrades in the CPP transition study,[345] we note that SPP will evaluate the benefits and cost effectiveness of transmission projects prior to selection under the CPP-20 transmission assessment process, and SPP intends to monitor on an ongoing basis to help ensure that benefits remain reasonably commensurate with allocated costs.[346] Further, as SPP explains, the inclusion of specific transmission facilities in the transition study is speculative, and the transition study process provides for transparency and stakeholder participation in scope development and solution

[343] SPP January 29 Answer at 11.

[344] *Id.* at 9-10 (citing APA Deficiency Response Protest at 5; PIOs Deficiency Response Comments at 2).

[345] APA Protest at 7-8; APA Deficiency Response Protest at 4-5.

[346] SPP January 29 Answer at 9-11.

identification.[347] SPP also explains that stakeholders will have the opportunity to work with SPP to develop a detailed method that will identify generator benefits under the CPP, including the transition phase, for incorporation into the CPP Manual. Additionally, as noted above, the CPP proposal includes reporting on the outcome of all transmission assessments.

152. In addition, regarding concerns that interconnection customers in SPP's existing DISIS processes may request to interconnect at PILs identified in the transition study prior to the start of the CPP, we find that such concerns are speculative because SPP explains that the transition study has not yet determined an initial set of PILs. Further, those existing interconnection customers already have established queue positions for their interconnection requests, while potential CPP interconnection customers do not yet have established queue positions for their interconnection requests. Thus, the fact that some existing interconnection customers in SPP's ERAS and DISIS queues may interconnect at a certain location before CPP interconnection customers is a natural consequence of the Commission's longstanding queue priority requirements. Further, in any event, we note that interconnection customers in SPP's existing interconnection queues will pay the "but for" cost of the interconnection facilities and network upgrades necessary to enable their interconnection pursuant to the Tariff. As such, these interconnection customers do not rely on CPP upgrades to enable interconnection to the SPP transmission system.

The Commission orders:

(A) SPP's proposal is hereby accepted, effective March 1, 2026, as requested, as discussed in the body of this order.

(B) SPP is hereby directed to submit a compliance filing within 30 days of the date of this order, as discussed in the body of this order.

By the Commission. Commissioner Rosner is concurring with a separate statement attached.
Commissioner Chang is concurring with a separate statement attached.

( S E A L )

Debbie-Anne A. Reese,
Secretary.

[347] SPP December 9 Answer at 16.

## Appendix – Tariff Records

Southwest Power Pool, Inc.
Open Access Transmission Tariff, Sixth Revised Volume No. 1

**Docket No. ER26-414-000**

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- Att. AY App. 14, Attachment AY Appendix 14 (0.0.0)
- Att. AY App. 15, Attachment AY Appendix 15 (0.0.0)
- Att. AY App. 16, Attachment AY Appendix 16 (0.0.0)
- Att. AY App. 17, Attachment AY Appendix 17 (0.0.0)
- Att. AY App. 18, Attachment AY Appendix 18 (0.0.0)

**Docket No. ER26-414-001**

- Attachment AY, Attachment AY Consolidated Planning Process (0.1.0)

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Southwest Power Pool, Inc. Docket Nos. ER26-414-000
ER26-414-001

(Issued March 13, 2026)

ROSNER, Commissioner, *concurring*:

1. Today the Commission approves the Southwest Power Pool's (SPP) Consolidated Planning Process (CPP), marking a major step forward for improved speed and efficiency in generator interconnection and transmission planning that promises to deliver the electrons our country so badly needs. Faced with electric demand growth at levels not seen in 25 years,[1] SPP and its stakeholders have risen to the occasion with one of the most innovative, common-sense proposals presented to the Commission since the inception of open access transmission service. This proposal will get transmission built *smarter* and connect new generation *faster,* helping to make energy more reliable and affordable in the SPP region. And it has done so with the unanimous support of both its member states and stakeholders.

2. CPP delivers these benefits by eliminating the silos between the transmission planning process and the generator interconnection process, synthesizing and streamlining them into one recurring three-year planning cycle. These two processes are inextricably linked: generators need transmission to sell the electricity they produce, and transmission companies build the grid and sell the transmission services that generators depend on to get their power to customers. CPP recognizes that generation and load share one transmission system, and plans for both of their needs holistically. As a result, SPP can reduce interconnection study costs by millions of dollars, potentially avoid over $100 million in duplicative transmission costs every planning cycle, [2] and at the same time deliver some of the shortest generator interconnection timelines in the country.

[1] Press Release, EIA, EIA Forecasts Strongest Four-Year Growth in U.S. Electricity Demand Since 2000, Fueled by Data Centers (Jan. 13, 2026), https://www.eia.gov/pressroom/releases/press582.php.

[2] Press Release, SPP, SPP Consolidated Planning Process to Reduce Costs and Help Meet Nation's Growing Energy Needs (Aug. 5, 2025), https://www.spp.org/news-list/spp-consolidated-planning-process-to-reduce-costs-and-help-meet-nation-s-growing-energy-needs/.

3. Understanding how CPP delivers these benefits requires that we review the status quo planning process in a typical region (*see* **Figure titled "Status Quo Transmission Planning"**). First, the grid operator plans the new transmission lines needed to keep the grid reliable and economically efficient given demand forecasted over the next ten to twenty years. Although planning processes include forecasted *demand*, by design, they typically only reflect generators that have completed the interconnection process and don't always identify the transmission upgrades needed to integrate future, forecasted *generation* growth. Instead, there is a separate generator interconnection study process that identifies only the incremental grid upgrades needed to integrate each individual power plant, often resulting in studying and restudying what is needed until all prospective generators are willing to accept the cost of the transmission upgrades they need to get their individual facilities online. Because the costs of incremental transmission upgrades are unknown until the generator interconnection process is complete, over 70% of generators end up dropping out of the queues.[3] And because so many generators drop out, interconnection studies and cost estimates frequently become stale, and the grid operator has to run study after study to reevaluate what transmission will be needed, dragging out the process for three to six years.[4] As a result, it takes too long and costs too much to get a generator connected, ultimately making energy *more* expensive and *less* reliable for customers.

4. Enter CPP. Unlike the status quo, CPP begins with a holistic plan that identifies the new transmission lines needed to meet forecasted demand *and* forecasted generation over the next 20 years (*see* **Figure titled "Consolidated Planning Process (CPP)"**). Importantly, the CPP will identify planned interconnection locations (PILs), which are places on the grid with existing or planned transmission capacity available for new generators to connect to. In other words, CPP signals to generators on the front end—rather than years later—where they should interconnect to minimize costs and maximize benefits to the entire grid. SPP will then annually run a second pass of its transmission planning cycle that looks 10 years forward and allows generators to secure their spots if they want to interconnect to a PIL. Generators are required to pay their fair share into the transmission planning pot via a one-time, per-MW, upfront entry fee—the "GRID-C" charge. No power plant can obtain financing when the transmission costs are either unknown or subject to significant revision based on "that next study." CPP solves that conundrum.

5. Critically, SPP publishes the GRID-C charge *before* interconnection requests are submitted annually. For the first time, SPP's interconnection customers can know what

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[3] J. Rand et al., *Queued Up: 2025 Edition*, Lawrence Berkeley National Laboratory, at 31 (2025), https://eta-publications.lbl.gov/sites/default/files/2025-12/queued_up_2025_edition_12.15.2025.pdf.

[4] *Id*. at 40.

they will pay to connect to the grid *before entering the interconnection queue,* turning the page on never-ending studies, restudies, and cost uncertainty that ultimately lead to generators withdrawing. Frankly, this shift is more than an evolution, it's a revolution. It enables a series of other reforms in SPP's new Interconnection Cluster Study (ICS), including: a higher up-front entry fee, one single Decision Point for generators to withdraw or move forward (instead of three today), shorter restudy times, and ultimately, an interconnection agreement within 9-10 months from the close of the application window. This timeline is *more than 65% faster* than the average interconnection waitlist across the country, because SPP is doing a comprehensive system analysis *before* fielding interconnection requests, offering generators certainty and reducing speculation - in exchange for paying fixed fees up front and allowing fewer opportunities for generators to withdraw. The record overwhelmingly illustrates that this is a trade all stakeholders are happy to make.

6. It is also important to note that the CPP-20 study is exactly the type of smart, efficient long-term transmission planning that the Commission intended when we developed Order No. 1920.[5] Assessing transmission needs holistically and proactively will help SPP build the backbone grid infrastructure needed to bring new power and customers online in a way that maximizes benefits and minimizes costs for consumers.

7. Further, none of CPP's accelerated study processes could be achieved without modern, automated engineering study processes that leverage cutting-edge software. I have repeatedly emphasized the crucial importance of automating interconnection studies so we can connect new generation to the grid faster.[6] It is truly exciting that CPP will take another leap forward by automating long-term transmission planning *along with* interconnection studies.

8. In sum, CPP represents the innovation that America needs to facilitate cost-effective transmission buildout and generator interconnection, reduce costs, and enhance system reliability. Today's order is a step toward building a grid that can win the AI race, bring back American manufacturing, and deliver the abundant, reliable, and

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[5] *Bld'g for the Future Through Elec. Reg'l Transmission Planning & Cost Allocation*, Order No. 1920, 187 FERC ¶ 61,068, at PP 1625-48, *order on reh'g & clarification*, Order No. 1920-A, 189 FERC ¶ 61,126 (2024), *order on reh'g & clarification*, Order No. 1920-B, 191 FERC ¶ 61,026 (2025).

[6] *See* David Rosner, Comm'r., Letters to ISOs/RTOs Regarding Interconnection Automation (Mar. 17, 2025), https://www.ferc.gov/news-events/news/commissioner-rosners-letters-isosrtos-regarding-interconnection-automation; *see also* David Rosner, Written Testimony of David Rosner, Commissioner, Federal Energy Regulatory Commission (United States House of Representatives Subcommittee on Energy, Feb. 3, 2026).

affordable energy we need. I strongly encourage other transmission providers to take note of the innovative approach the CPP promises, and to consider developing similar integrated solutions tailored to meet the pressing needs within their own footprints.

For these reasons, I respectfully concur.

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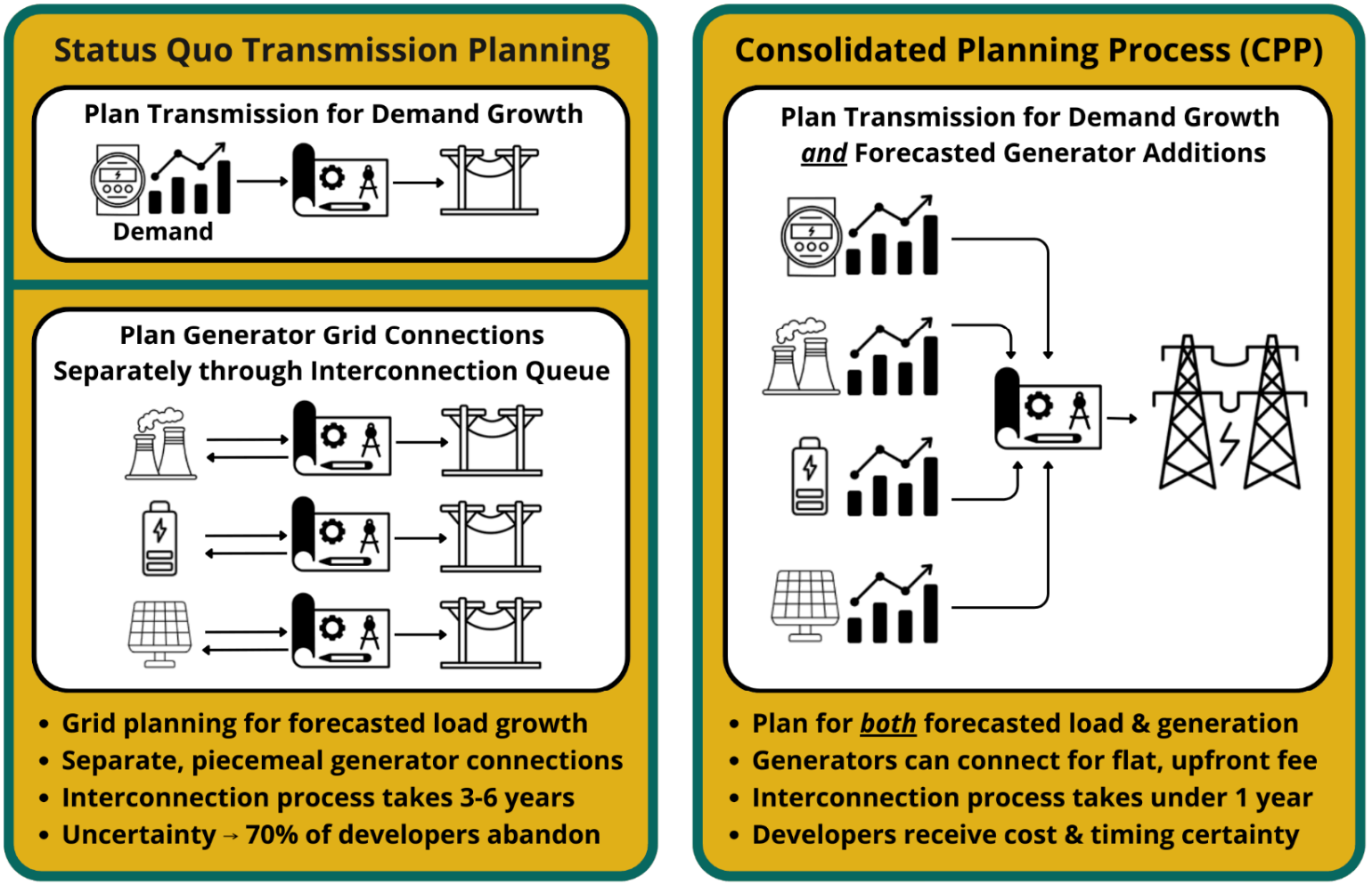
David Rosner
Commissioner

# Figures


Status Quo Transmission Planning
Plan Transmission for Demand Growth
Demand
Plan Generator Grid Connections
Separately through Interconnection Queue
• Grid planning for forecasted load growth
• Separate, piecemeal generator connections
• Interconnection process takes 3-6 years
• Uncertainty → 70% of developers abandon
Consolidated Planning Process (CPP)
Plan Transmission for Demand Growth
and Forecasted Generator Additions
• Plan for both forecasted load & generation
• Generators can connect for flat, upfront fee
• Interconnection process takes under 1 year
• Developers receive cost & timing certainty
FEDERAL ENERGY REGULATORY COMMISSION
Office of Commissioner Rosner

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

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| Southwest Power Pool, Inc. | Docket Nos. | ER26-414-000<br>ER26-414-001 |

(Issued March 13, 2026)

CHANG, Commissioner, *concurring*:

1. Today's order approves SPP's Consolidated Planning Process, a proposal grounded in a recognition of the integrated nature of the transmission planning and generator interconnection processes. I write separately to commend SPP on taking a bold step to address the needs of its system and to encourage other regional transmission operators (RTOs) and independent system operators (ISOs) to explore comparable reforms.

2. Currently, the adequacy of the nation's transmission system is being tested. Rapid and accelerating load growth, backlogged interconnection queues, and limited regional and interregional transmission capabilities are among the challenges exacerbating reliability concerns and raising electricity bills for consumers. We cannot meet these challenges without effective and efficient buildout of the transmission system. SPP's proposal recognizes that transmission planning and generator interconnection processes search for the same solution: ensuring that the transmission system reliably delivers affordable power to consumers.

3. I have written about the need to integrate the generator interconnection process with transmission planning[1] and am glad to see that SPP is taking the first step down this path with the CPP proposal. The single biggest bottleneck to getting needed new generation online to serve the dramatic increase in load growth is the interconnection process. The Commission and many of the nation's transmission providers have been working to improve that process[2] but it will take actions like the one that SPP has taken

[1] Judy Chang, et. al., *It's All One System: Integrate Transmission and Interconnection Planning to Support Load Growth*, Utility Dive (Sept. 26, 2025) https://www.utilitydive.com/news/its-all-one-system-integrate-transmission-and-interconnection-planning-Judy-Chang/761240/.

[2] *See, e.g., Improvements to Generator Interconnection Procs. & Agreements*, Order No. 2023, 184 FERC ¶ 61,054, at P 814, *order on reh'g*, 185 FERC ¶ 61,063

here to redesign how the transmission system is planned and paid for to truly accommodate the needed new generation to serve load.

4. SPP's CPP proposal addresses the core issue that has been delaying the interconnection of new generation: transmission upgrade cost uncertainties. Currently, interconnection customers must make difficult financial choices at many points in the interconnection process. They face requirements to submit large, non-refundable deposits, subjecting themselves to significant withdrawal penalties without sufficient confidence regarding their network upgrade cost exposure. As we have seen in multiple examples over the years, generators may not find out that they must pay for expensive network upgrades until late stages in the interconnection process.[3] These cost assignments can significantly reduce the financial viability of some generation projects, resulting in their withdrawal from the queue, which in turn can cause time-consuming restudies of the other generators in the queue, adding even greater uncertainties. We have already witnessed cascading restudies and delays that undermine our ability to get needed generation online.

5. SPP addresses this issue by redesigning a component of its interconnection process: how cost assignments are provided to interconnecting generators. SPP's proposal advances its transmission planning process and applies the Commission's cost causation principle to determine the transmission upgrade costs and make them available to the generators that would like to interconnect at certain pre-identified locations on the SPP system. The cost information is available to generators so that they can make their location and financing decisions before entering the interconnection queue, which should streamline and significantly increase the pace of the buildout of new generation.

6. SPP's proposal also addresses another pressing challenge: affordability. The transmission network should be developed with an eye toward the long-term needs of the system, not leaning too heavily on network upgrades triggered by new generation. SPP's proposal rightfully focuses on planning the backbone system that will be needed to support rapidly growing load and the resources needed to serve it. With a focus on the longer term, the system will cost less for consumers because a well-planned system will require fewer piecemeal network upgrades and meet system needs more efficiently.

7. With today's order, SPP can move forward with its innovative proposal and customers can begin receiving the benefits of an integrated transmission and

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(2023), *order on reh'g*, Order No. 2023-A, 186 FERC ¶ 61,199, *errata notice*, 188 FERC ¶ 61,134 (2024).

[3] *See, e.g. Tenaska Clear Creek Wind, LLC v. Southwest Power Pool, Inc*., 177 FERC ¶ 61,200 (2021).

interconnection planning process.[4] As other regions continue to grapple with the same underlying challenges that led SPP to develop CPP, I encourage other RTOs/ISOs to explore similar reforms to break the pernicious cycles that undermine generation development and lead to inefficient transmission system buildout. Facing rapid load growth and the need for new resources, we must meet this moment, and proposals like SPP's put us on the path to do so.

8. For these reasons, I respectfully concur.

Judy W. Chang
Commissioner

[4] While I support SPP's proposal, I want to highlight one part of the CPP that is extremely important and will warrant continued monitoring. SPP has committed to publish information on the detailed calculations and assumptions that will form the cost new interconnection customers will face to enter the CPP. These are critical to how SPP's proposal works because they establish how SPP determines what portion of the transmission buildout will be assigned to new generation. I will be watching, with interest, how these numbers turn out and what assumptions SPP makes along the way.

Document Content(s)