

BOARD OF DIRECTORS & MEMBERS COMMITTEE MEETING

February 3, 2026 8:00 a.m. – 3:00 p.m. | Little Rock, Arkansas

MINUTES

[Link to Materials](#)

SUMMARY OF APPROVALS

Consent agenda

Corporate Governance Committee

- Organizational Group Chair Expiring Terms
- Project Cost Working Group Scope Revisions
- Organizational Group Rosters and Assessments
- Working Group Expansion for RTO Expansion Members

Finance Committee

- Actuarial Assumptions
- RTO Expansion Out of Budget

Markets & Operations Policy Committee

- 2026 In-Service Date Delay Recommendation
- RTO Expansion Planning Reserve Margin
- RTOE Trading Hub Analysis (SIR810)
- RR726 (SIR783) — RTOE Engineering Governing Language
- RR740 (SIR813) — SPP RC Area Emergency Conditions
- RR694 (SIR768) — Flowgate Assessment Revision

Staff

- SPS Withdrawal NTC 220817 PID 94874
- SPS Withdrawal NTC 220817 PID 94932
- SPS Withdrawal NTC 220897 UID 170687
- WAPA Modification NTC 220919 PID 94758
- WAPA Modifications NTC 220929 PID 94986 and NTC 220932 PID 94800
- ETEC Modifications NTC 220974
- NTC Out-of-Cycle Re-evaluations Request Summary
- Nov. & Dec. 2025 Meeting Minutes

Regional State Committee

- Approved RR704 – Loss of Load Expectation (LOLE) Study Business Practice
- Approved RR729 – Cost of New Entry and the CONE update of \$139.85/kW-yr starting with the 2026 Summer Season
- Approved - RR703 (SIR776) Demand Response (DR) & Load Responsible Entity (LRE) Peak Demand Assessment (PDA)

Strategic Planning Committee

- Endorsed - the strategic decision to maintain and improve the competitive bid framework for SPP's transmission owner selection process and Order 1000 compliance; and the O1000 SRTF report and directs staff to implement its recommendations as follows:
 - Initiate the RR process for recommendations 1, 3, 4, 5, and 6, targeting implementation for the remaining projects to be bid from the 2025 ITP if possible, and
 - Develop a proposal for recommendation 2, addressing Board questions and concerns before reporting back to the Board for a final decision.

Markets and Operations Policy Committee

- Approved RR720 (SIR795) Conditional High Impact Large Load (CHILL)

Staff

- Approved the modification of the Battle Axe – Wolf Camp Tap 115 kV project, to terminate at Phantom 115kV from Battle Axe 115kV.
 - Withdraw RFP000012 that was issued on December 3, 2025, and suspended on December 9, 2025 and issue a new RFP for Battle Axe – Phantom 115kV as required by Attachment Y.
- Approved the designation of the following Short-Term Reliability Projects identified in the 2025 ITP Assessment:
 1. *Crawfish Draw - Phantom 765 kV New Line*
 2. *Crosstown - Blue Valley Station 161 kV New Line*
 3. *North Hays – Chetolah Creek 115 kV New Line*
 4. *Seminole - Southwest Shreveport 765 kV New Line*

MINUTES

1. Call to Order and Administrative Items

SPP Board of Directors Chair Ray Hepper called the meeting to order at 8:03 a.m. CT. The following Board of Directors (Board) and Members Committee members were in attendance or represented by proxy:

Directors

Susan Certoma
John Cupparo
Irene Dimitry
Ray Hepper
Elizabeth Moore
Lanny Nickell
Stuart Solomon
Ben Trowbridge
Steve Wright

Members Committee

Denise Buffington, Evergy
Stacey Burbure, AEP Public Service Co. of Oklahoma
Brad Hans, Municipal Energy Agency of Nebraska
Steve Gaw, Advanced Power Alliance
Buddy Hasten, Arkansas Electric Cooperative Corporation (*Andrew Lachowsky as proxy*)
Bleau LaFave, NorthWestern Energy
Joe Lang, Omaha Public Power District
Gayle Nansel, Western Area Power Administration (*Steve Sanders as proxy*)
Chris Matos, Google Energy (*Will McAdams as proxy*)
David Mindham, EDP Renewables
Zac Perkins, Tri-County Electric Cooperative (*Dakota Lamb as proxy*)
Paul Mahlberg, City Utilities of Springfield
Robert Pick, Nebraska Public Power District
Adrian Rodriguez, SPS/Xcel Energy
Jeremy Severson, Basin Electric Power Cooperative
Al Tamimi, Sunflower Electric Power Corp.
Christy Walsh, Natural Resources Defense Council
Tim Wilson, Liberty Utilities (Empire District)
Mike Wise, Golden Spread Electric Cooperative
C. Patrick Woods, ITC Great Plains (*Nick Abraham as proxy*)
Ken Miller, Oklahoma Gas & Electric

2. Consent Agenda

Chair Hepper asked if there were any items that needed to be removed from the consent agenda.

Stuart Solomon moved and Irene Dimitry seconded a motion to approve the consent agenda. The Members Committee voted in favor with none opposed and no abstentions. The Board voted by secret ballot and approved the motion.

3. Reports to the Board

3.1 President's Report

President and CEO Lanny Nickell acknowledged SPP's load-serving entities' role in successfully managing Winter Storm Fern without experiencing region-wide outages. He noted that storms like Fern remind us of the urgent need to immediately begin building the transmission necessary to keep the lights on in the short term. Nickell noted that at FERC's open meeting on January 22, commissioners had very positive comments related to their continued support of ERAS and approval of HILLS/HILLGA. He recapped 2025's wins and gave an overview of SPP's 2026 corporate goals. He also announced SPP's corporate rebrand that is launching in 2026.

3.2 Regional State Committee Report

Chair Chuck Hutchinson presented the RSC's report to the board. Hutchinson reported that the RSC welcomed two new members from Louisiana and New Mexico, hired a consultant to assist with cost allocation review, and discussed multiple resource adequacy items.

The RSC voted on three items that were carried forward for a board vote.

3.2.1 RR704 (SIR767) Loss of Load Expectation (LOLE) Study Business Practice

RR704 establishes a new Business Practice to formalize the baseline modeling assumptions, data inputs, and study parameters used in SPP's Loss of Load Expectation (LOLE) Study. This revision request creates a consistent, transparent framework for how LOLE studies are conducted and how potential changes to assumptions are reviewed and evaluated. The RSC unanimously approved this revision request.

The RSC recommended the board approve RR704 – Loss of Load Expectation (LOLE) Study Business Practice, as presented.

Lanny Nickell made and Stuart Soloman seconded a motion to approve RR704 – Loss of Load Expectation (LOLE) Study Business Practice, as presented. The Members Committee voted in favor with none opposed and no abstentions. The Board voted by secret ballot and approved the motion.

3.2.2 RR729 Cost of New Entry (CONE)

RR729 updates the Cost of New Entry (CONE) value based on SPP Staff's annual review, as required under Section 13.0 of Attachment AA of the SPP Open Access Transmission Tariff, for implementation in the 2026 Summer Season.

The Regional State Committee recommended the board approve RR729 – Cost of New Entry and the CONE update of \$139.85/kW-yr starting with the 2026 Summer Season.

Lanny Nickell made and Susan Certoma seconded a motion to approve the above RR729 – Cost of New Entry and the CONE update of \$139.85/kW-yr starting with the 2026 Summer Season. The

Members Committee voted in favor with none opposed and no abstentions. The Board voted by secret ballot and approved the motion.

3.2.3 RR703 (SIR776) Demand Response and Peak Demand Assessment

RR703 establishes a framework for Demand Response and Peak Demand Assessment. It also improves reliability by enhancing verification of Demand Response capability and performance.

The RSC and MOPC discussed several different demand response proposals from stakeholder groups and from individual companies. Multiple stakeholders expressed the desire for more time to work on Demand Response and for the Peak Demand Assessment to be severable from the Demand Response framework.

The RSC recommended the board approve RR703 (SIR776) Demand Response (DR) & Load Responsible Entity (LRE) Peak Demand Assessment (PDA) to include 2027 implementation of LRE load modifier cap and a full implementation of 2028 subject to the following provisions:

- Controllable Non-Registered DR Programs will be capped at 2,152 MW, based on 2025 Workbook forecasted Non-Registered DR for 2027 Summer Season
- LRE load-modifying demand response is limited to 2027 forecasted amount, unless LRE opts into PDA for the summer 2027 season. PDA will be implemented only for those LREs that have opted-in
- Market-Registered and Reliability-Registered Demand Response will be available to all LREs in 2027 to serve resource adequacy needs and will not count against the 2,152 MW cap.

Steve Wright made and Ben Trowbridge seconded a motion to approve the above RSC motion. The Members Committee voted against the recommendation with 4 in favor (Liberty Utilities, Municipal Energy Agency of Nebraska, Google Energy, and Nebraska Public Power District), **12 opposed** (Advanced Power Alliance, Natural Resource Defense Council, Basin Electric Power Coop., Golden Spread Electric Coop., Tri-County Electric Coop., Evergy Companies, Northwestern Energy, SPS/Xcel Energy, AEP, Oklahoma Gas & Electric, EDP Renewables, Omaha Public Power District) **and 5 abstentions** (Sunflower Electric Power Corp., Arkansas Electric Cooperative Corp, Western Area Power Administration, and ITC Great Plains). **The Board voted by secret ballot and approved the motion.**

Lanny Nickell noted staff's willingness to continue working with stakeholders, including the MMU, toward another demand response recommendation to be brought forth at another meeting. RSC Chair Hutchison noted a willingness for the RSC to take up another vote at a future meeting.

3.3 Finance Committee Report

Chair Stuart Solomon presented the Finance Committee (FC) report to the board. At its recent meeting, the FC approved the RTO expansion out-of-budget request and actuarial assumptions to be used in the valuation for the pension and post-retirement healthcare plans. The FC also discussed the 2025 VIP program, 2025 financials, the formula rate template and investment policies.

3.4 Oversight Committee Report

Chair Ray Hepper and other committee members led a discussion on Oversight Committee activities, including updates from the Market Monitoring Unit (MMU) and SPP's compliance, internal audit, physical security, cyber security, and enterprise risk management groups.

3.5 Corporate Governance Committee Report

Chair Lanny Nickell provided the Corporate Governance Committee (CGC) report. Nickell reported that the CGC recently approved additional seats on select working groups for RTO expansion members, revisions to the Project Cost Working Group scope document, and new working group chairs. The CGC also reviewed the organizational group surveys and rosters. At its next meeting, the CGC will consider the renomination of three directors with terms expiring at the end of 2026 – Elizabeth Moore, Irene Dimitry, and Stuart Solomon. The CGC is also considering changes to the board compensation structure and is working with SPP staff on improvements to the stakeholder process.

3.6 Human Resources Committee Report

Chair Bronwen Bastone provided the Human Resources Committee (HRC) report. Bastone reported that the committee approved the 2026 performance compensation plan and retirement plan amendments. The HRC also reviewed executive and staff compensation, the HRC charter, quarterly metrics, and the annual fraud prevention report.

3.7 Strategic Planning Committee Report

Chair Irene Dimitry provided the Strategic Planning Committee (SPC) report. Dimitry reported that at its last meeting the SPC received updates on Markets+ and western expansion. The SPC also discussed the long-term transmission vision including direction o 765 kV transmission. The SPC voted on one item that was carried forward for a board vote.

3.7.1 Order 1000 Strategic Review Task Force

The Order 1000 Strategic Review Task Force recommendations are as follows:

1. Optimize current process to reduce cycle time
2. Transition the process to a staff-led evaluation process, with consulting support
3. Adjust and rebalance the scoring rubric
4. Enhance financial analysis and risk assessments
5. Broaden the criteria for awarding DPP incentive points
6. Identify additional ways to reduce schedule and cost overruns.

The SPC approved the task force's recommendations 1,3,4,5,6 and requested feedback from the board on recommendation 2.

The SPC recommended the board endorse the strategic decision to maintain and improve the competitive bid framework for SPP's transmission owner selection process and Order 1000 compliance; and the O1000 SRTF report and all recommendations herein.

Irene Dimitry made and Steve Wright seconded a motion to approve the above recommendation.

The board and members committee discussed recommendation 2, including timing and staffing considerations, and how this effort should be prioritized in light of the ongoing corporate goals and initiatives.

Action Item – Staff, with consultants, will do an impact assessment to explore transitioning the IEP evaluation process to a staff led process, and will report back to the Board in May.

Stuart Solomon made and John Cupparo seconded a motion to amend the original motion as follows:

The board endorses:

- **The strategic decision to maintain and improve the competitive bid framework for SPP's transmission owner selection process and Order 1000 compliance; and**
- **The O1000 SRTF report and directs staff to implement its recommendations as follows:**
 - **Initiate the RR process for recommendations 1, 3, 4, 5, and 6, targeting implementation for the remaining projects to be bid from the 2025 ITP if possible, and**
 - **Develop a proposal for recommendation 2, addressing Board questions and concerns before reporting back to the Board for a final decision.**

The Members Committee voted in favor of amending the motion as described above with 1 opposed (AEP) and 1 (Nebraska Public Power District) abstention. The Board voted by secret ballot and approved the motion to amend.

The Members Committee voted in favor of the amended motion with 1 opposed (AEP) and 1 abstention (Nebraska Public Power District). The board voted by secret ballot and approved the motion.

3.8 Markets and Operations Policy Committee Report

Chair Joe Lang gave an update on the Markets and Operations Policy Committee's (MOPC) recent work. At its January meeting, the MOPC approved 25 items on consent and the Conditional High Impact Large Loads (CHILLS) policy. The MOPC is continuing to work on Demand Response and Peak Demand Assessments policies and the Price Adaptive Load policy. The MOPC also established the RTO Expansion Planning Reserve Margin.

3.8.1 RR720 (SIR795) Conditional High Impact Large Loads

Carrie Simpson (SPP) presented RR720 Conditional High Impact Large Load. RR720 allows provisional or HILLGA generation as supporting resources, enables delivery point establishment, and grants conditional service ahead of sufficient DNRs or firm transmission capability.

The MOPC recommended the board approve RR720 (SIR795) Conditional High Impact Large Load (CHILL) as presented.

Steve Wright made and Lanny Nickell seconded a motion to approve RR720 (SIR795) Conditional High Impact Large Load (CHILL) as presented. The Members Committee voted with 11 in favor (Natural Resources Defense Council, Arkansas Electric Coop. Corp., Evergy Companies, Northwestern Energy, SPS/Xcel Energy, AEP, Liberty Utilities, Oklahoma Gas & Electric, EDP Renewables, ITC Great Plains, and Kansas Municipal Energy Agency) none opposed, and 10 abstentions (Advanced Power Alliance, Sunflower Electric Power Corp., Basin Electric Power Coop., Golden Spread Electric Power Coop., Tri-County Electric Coop., Western Area Power Administration, Google Energy, Municipal Energy Agency of Nebraska, Nebraska Public Power District, and Omaha Public Power District). The Board voted by secret

ballot and approved the motion.

3.9 Staff Reports

3.9.1 Proposed Action Plan for the Transmission Owner Selection Process

Paul Suskie (SPP) presented improvements to the Transmission Owner Selection Process including changes to the request for proposal requirements and project tracking process.

3.9.2 Battle Axe – Wolf Camp Tap 115 kV project

Casey Cathey (SPP) presented the Wolf Camp Tap 115 kV project re-evaluation. SPS requests re-terminating the Wolf Camp Tap to Phantom to reduce project costs. The re-evaluation does not change Order 1000 classification, needs addressed or need date. The re-termination modifies the competitive scope by shifting the end point and extending the line ~1–2 miles. With the re-evaluation, SPP staff is anticipating \$8-9 million in savings.

SPP staff recommended the board approve

- the modification of the Battle Axe – Wolf Camp Tap 115 kV project, to terminate at Phantom 115kV from Battle Axe 115kV, and
- Withdraw RFP000012 that was issued on December 3, 2025, and suspended on December 9, 2025 and issue a new RFP for Battle Axe – Phantom 115kV as required by Attachment Y.

Irene Dimitry made and Ben Trowbridge seconded a motion to approve the above motion. The Members Committee voted in favor with none opposed. The Board voted by secret ballot and approved the motion.

3.9.3 2025 ITP Short-Term Reliability Projects Report

Casey Cathey (SPP) presented an overview of the short-term reliability project report. He highlighted the 765 kV lines that were previously approved for construction and load growth in the surrounding areas.

Cathey explained that a project meets the requirements to be considered a short-term reliability project (“STRP”) if the project meets the requirements to be Competitive Upgrades but is needed within three years or less to address reliability needs. The STRP report is required by Attachment Y, Section I.3 of the SPP Tariff. Consistent with the Tariff, SPP evaluated and tested proposed solutions against every reliability need with time-sensitive needs identified in the 2025 ITP Needs Assessment including reliability needs based on the 2025 models and their member-submitted data. Based on this, four projects out of the 2025 ITP Assessment meet the criteria to be designated as STRPs. Cathey also presented an overview of comments received by a number of stakeholders in favor of competitive designation and those in favor of short-term designation. In response to stakeholder comments, Cathey explained that SPP staff believes the four projects listed below meet the Tariff requirements to be designated as STRPS and that SPP followed the Tariff required process for posting the STRP Report with the required information and providing an opportunity for comments.

SPP staff recommended the board approve the designation of the following STRPs identified in the 2025 ITP Assessment:

- *Crawfish Draw - Phantom 765 kV New Line*
- *Crosstown - Blue Valley Station 161 kV New Line*
- *North Hays – Chetolah Creek 115 kV New Line*
- *Seminole - Southwest Shreveport 765 kV New Line*

Lanny Nickell made and Steve Wright seconded a motion to approve the designation of the following STRPs identified in the 2025 ITP Assessment:

- *Crawfish Draw - Phantom 765 kV New Line*
- *Crosstown - Blue Valley Station 161 kV New Line*
- *North Hays – Chetolah Creek 115 kV New Line*
- *Seminole - Southwest Shreveport 765 kV New Line*

The Members Committee voted with 12 in favor (Sunflower Electric Power Corp., Basin Electric Power Coop., Western Area Power Administration, Every Companies, Northwestern Energy, SPS/Xcel Energy, AEP, Liberty Utilities, Oklahoma Gas & Electric, ITC Great Plains, Nebraska Public Power District, and Omaha Public Power District) **9 opposed** (Advanced Power Alliance, Natural Resources Defense Council, Arkansas Electric Coop. Corp., Golden Spread Electric Coop., Tri-County Electric Coop., EDP Renewables, Google Energy, Municipal Energy Agency of Nebraska, Kansas Municipal Energy Agency) **and no abstentions. The Board voted by secret ballot and approved the motion.**

Irene Dimitry moved and Stuart Solomon seconded a motion to remove the 765 kV lines from the original motion and vote only to approve the 161 kV and 115 kV lines. The Members Committee voted against with 10 in favor (Advanced Power Alliance, Natural Resources Defense Council, Arkansas Electric Coop. Corp., Golden Spread Electric Coop., Tri-County Electric Coop., Every Companies, EDP Renewables, Google Energy, Municipal Energy Agency of Nebraska, Kansas Municipal Energy Agency), **11 opposed** (Sunflower Electric Power Corp., Basin Electric Power Coop., Western Area Power Administration, Northwestern Energy, SPS/Xcel Energy, AEP, Liberty Utilities, Oklahoma Gas & Electric, ITC Great Plains, Nebraska Public Power District, and Omaha Public Power District) **and 0 abstentions. The Board voted by secret ballot and the motion failed.**

Stakeholders opposed to the recommendation expressed concerns with the STRP designation process and expressed the need to improve SPP's planning processes. Some stakeholders encouraged the Board to competitively bid these projects to ensure they are constructed timely and are affordable for consumers. They also pointed to compliance with FERC Order 1000 to ensure accountability for these costs. Stakeholders highlighted that although the Tariff gives the Board discretion to designate certain projects as STRPs, we should first ensure the projects will be in service in 3 years. Stakeholders argued that with competition we can see what is the best bid for consumers. SPP's history of competitive bids indicates more timely completion of projects than those assigned to incumbents and reliability is only improved when projects go into service. These stakeholder also noted that incumbents can participate in the competitive bid process and present their best project proposal.

Stakeholders in support of the recommendation agreed that there is room for improvement in the process, but noted that that consumers are facing short-term reliability needs, making reliability projects mandatory. They highlighted that utilities have the obligation to serve customers without delay and that

delays do not result in the most affordable costs. They also noted that utilities that joined the RTO did not expect they would lose their ability to build, own, and operate infrastructure in their own footprint.

Stakeholder in support highlighted that although these projects will not be competitively bid, regulated public utilities are subject to their state commissions, to SPP members, and to ratepayers, and their ratepayers are the ones that take on the reliability risk. Regulators are best able to hold incumbents accountable to costs. There is a perception that direct assignment raises costs, while incumbents are incented to keep costs low for their own ratepayers that pay the revenue requirement.

Directors stated a need for minimum standards for projects awarded to incumbents, potentially including components such as cost caps, and encouraged additional discussion at CARE and through the Order No. 1000 task force. The Board also emphasized the importance of lowering costs, keeping the lights on, and working with the RSC to make sure that costs for transmission are properly shared and managed. Directors also noted that FERC granted SPP an exception to the competitive bidding process for critical reliability projects and Staff deems these projects as critical for reliability. Because of that, some Directors believe we should use FERC's exception and follow our established process for STRPs.

Action item: Between now and NTC-C dates for the STRPs staff will work with incumbents to develop an agreement to address cost overruns and delays. Staff will report progress at the May board meeting.

Adjournment

With no further business, Mr. Hepper adjourned the meeting at 2:33 PM CT.

Respectfully submitted,
Paul Suskie, Secretary to the SPP Board of Directors