



**SOUTHWEST POWER POOL, INC.
COST CONTROL & ALLOCATION REVIEW & EVALUATION TEAM**

January 16, 2026
8:00 AM – 5:00 PM CT

Virtual

SUMMARY OF MOTIONS AND ACTION ITEMS

ACTION ITEMS:

1. Education on the residual impacts of moving to a 765 system and the impacts on the underlying grid.
2. Staff will package activity to address load forecast challenges and will share with RSC & CARE (no ETA).
3. Staff to provide stats on how cost estimates have historically performed against actuals.
4. Staff to provide further recommendations around cost containment options
5. Assess the implications of 765 overlay and large-scale infrastructure needs in association with SPP's current GRID C calculation (to be taken up at CPPTF).
6. Amend the modified Scope regarding impacts to large loads (assigned to Tyler Huebner)



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MINUTES

1. WELCOME

Co-Chair Kayla Hahn (MOPSC) called the meeting to order at 8:03 AM CT and welcomed everyone. Kate Daley (AEP) held proxy for Stacey Burbure (AEP).

2. ADMINISTRATIVE ITEMS

a. Approval of Minutes

Kayla Hahn moved to approve the minutes from December. Kevin Gunn (Evergy) seconded the motion. The motion carried unanimously.

b. Recap of December Meeting

Kim O'Guinn (SPP Staff) recapped action items and discussion topics from the December meeting.

3. REFINED CARE OVERVIEW

a. CARE Scope

The Co-Chairs reviewed the proposed refined CARE scope, emphasizing the need to prioritize achievable deliverables within the established timeframe. Discussion focused on:

- Maintaining a primary focus on 765 kV facilities given cost magnitude and urgency;
- Allowing flexibility to recognize broader system impacts while avoiding duplication of existing SPP efforts;
- Ensuring CARE recommendations are forward-looking.

Kayla Hahn and Steve Wright clarified that the CARE scope is time-limited. The specific changes to the scope included the addition of the following language on page 2 of the scope document:

The magnitude of planned transmission expansion costs is the driver behind the CARE effort. CARE will focus on recommendations to address the following issues:



How to achieve fair allocation of costs under current and future methodologies with a focus on 765 kV

How to achieve allocation of transmission costs necessary to serve large loads that minimizes impacts on non-large loads;

Assessing whether generation retirements, replacements, or additions increase or reduce transmission expansion costs and, if so, how these costs should be recovered;

Assessing what action, if any, should be taken to improve SPP transmission cost and benefit estimates; and

Assessing what action, if any, should be taken to produce better management of transmission projects cost and schedule after project authorization.

Due to limited time available for CARE efforts, the following items will not be considered:

- *Overlapping conversations with the Order 1000 Strategic Review Task Force*
- *Other efforts to improve load forecasting, including the Load Forecasting Task Force*
- *Z2, due to limited impact;*
- *Translating cost allocation principles into specific methodology;*
- *Consider whether RCAR can be future true-up mechanism leading to only needing a short-term solution; and*
- *RTO West and their respective seams.*

b. CARE Questions to Answer

Steve Wright reviewed the modified CARE questions and noted that the questions are guiding the development of the workplan.

c. Potential Alternatives

Kayla Hahn provided an overview of the potential alternatives to current methodologies or current issues. Ms. Hahn noted that the workplan identifies where the group moves from education to informed solutions and alternatives.



d. Workplan

Kim O'Guinn identified the movement from Phase 1 to Phase 2 of the workplan. Ms. O'Guinn provided a review of the January – February milestones, highlighting key activities, and noting that in March the group will move into an analytical review.

4. BENEFIT/COST METHODOLOGY

Brooke Keene (SPP Staff) provided an in-depth overview of benefits with a refresh of the ITP process that was discussed in December.

5. COST CONTAINMENT

a. Cost Control Mechanisms and Policies

Tony Green (SPP Staff) presented an overview of how SPP does cost estimations, where we are today and how we got here from a cost estimate and reporting respective. Mr. Bell also identified what needs to be done to improve from a cost estimate arena and cost transparency.

b. Project Cost Working Group Role and Recommendations

Adam Bell (SPP Staff) discussed the ongoing oversight activities that the PCWG oversees. Mr. Bell discussed variance monitoring which ensures the proper oversight is placed on the projects.

6. GENERATION RETIREMENT IMPACT

John Krajewski (NPRB) provided history on cost allocation mechanisms and identified improvements that came out of the process in regard to RR373 debate (the generator retirement process). Mr. Krajewski also discussed CAWG deliberations on the process. Brooke Keene discussed statistics of retirements seen by SPP. Ms. Keene noted what has been going on the last 3-4 years to provide an inclination on how generator retirements impact transmission issues.

7. COST ALLOCATION

a. GRID-C Allocation Effects

Sunny Raheem and Charles Locke (SPP Staff) reviewed the GRID-C framework, including how generation interconnection contributions are established and potential interactions with CARE-related discussions.



b. Highway/Byway Pros & Cons

Nicole Offutt and Charles Locke (SPP Staff) provided an overview of advantages and disadvantages of the highway/byway cost allocation methodology. The discussion included other considerations and a Schedule 11 revenue requirements projection.

c. State Large Load Tariffs

i. OPPD

Joe Lang (OPPD) discussed significant load growth in Omaha, associated challenges, and OPPD's rate structure.

i. KCC

Justin Grady (KCC) provided an overview of key elements of Kansas' predominant regulated utility, Evergy's, Large Load Power Service tariff.

8. CAWG UPDATE

John Krajewski will present on CAWG's recent cost allocation activity at the February meeting, particularly in reference to Order 1920.

9. ACTION ITEM REVIEW

Kim O'Guinn reviewed the action items captured during the meeting which include:

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10. NEXT STEPS

Kayla Hahn highlighted that January and February will be education with a move to alternatives in March.

11. ADJOURNMENT

The meeting was adjourned at 4:40 pm.



Meeting Participants

Adam Bell	Eric Giddens	Maqsood Shariff M
Adam McKinnie	Eugene Mauk	Matt Alvarado
Agata Malek	Evan Hays	Matt Jackson
Andrew French	Guilherme Alexander	Maya Nevels
Andrew Rogers	Haley Vinton	Megan Damron
Angie Anderson	Heather Starnes	Monsherra Blank
Annie Minondo	J.P. Maddock	Naved Khan
Everly Laios	Jake Weinberg	Neeya Toleman
Becky Bradley	Jarred Cooley	Nick Abraham
Ben Bright	Jason Chaplin	Nick Parker
Ben Kodres-O'Brien	Jason Davis	Nicole Offutt
Bernie Liu	Jason Mazigian	Nikki Roberts
Brad Lafler	Jeremy Severson	Patrick Clarey
Brian Daschbach	Jeremy Verzosa	Pratisha Solanki
Brian Rounds	Jim Flucke - Everyg	Ramunda Russell
Brooke Keene	Jim Jacoby	Randy Christmann
Bryan Campbell	Joe Dan Wilson	Ray Bergmeier
Carly Masenthin	Joe Lang	Rebecca Atkins
Carrie Bivens	John Borgmeyer	Rich Germinder
Cassie Thompson	John Cupparo	Robert Pick
Charles Locke	John Krajewski	Robert Safuto
Charles Richard Ross	Jon Thurber	Rodney Massman
Christiana Ivanova	Joshua Byrnes	Russell Carey
Christine Aarnes	Joshua Smith	Ryan Benton
Christopher Hanson	Justin Berg	Sarah Bockelmann
Chuck Hutchison	Justin Grady	Shawnee Claiborn-Pinto
Cicily McGee	Justin Tate	Steve Gaw
Cindy Ireland	Kate Daley	Steve Purdy
Clifford Franklin	Kathleen Jackson	Steve Sanders
Conor McKenzie	Kayla Hahn	Steve Wright
Dana Shelton	Kelsey Allen	Stuart Solomon
David Sonntag	Kevin Gunn	Sunny Raheem
Dawn Cash	Kim O'Guinn	Tessie Kentner
Debra Roby	Kirk Hall	Thomas Steiger
Denise Buffington	LaKeitha Rinks	Trent A. Campbell
Denise Martin	Lane Sisung	Tyler Huebner
Dennis Florom	Lee Elliott	Walt Cecil
Diana Gastelum	Leif Clark	Natasha Henderson
Don Frerking-SPP	Loren Ditsch	Tiffany Wu
Doug Kouskouris	Lottie Jones	
Emily Shuart	Michael Wise	