

COST ALLOCATION WORKING GROUP MEETING

September 2, 2026

1:00 p.m. – 5:00 pm MT

September 3, 2026

8:30 p.m. – 12:00 P.M. MT

Virtual

SUMMARY OF MOTIONS AND ACTION ITEMS

Motions

MOTION: To approve the Consent Agenda. Cindy Ireland (APSC) motioned/Shawnee Claiborn-Pinto (PUCT) seconded. *The motion passed unanimously.*

MOTION: The Cost Allocation Working Group recommends the Regional State Committee approve RR743-Cost of New Entry Process, as presented. Matt Alvarado (IUC) motioned/Adam McKinnie (MOPSC) seconded. *The motion passed unanimously.*

MOTION: The Cost Allocation Working Group recommends the RSC approve RR793 – Onsite Fuel, as presented, and recommends approval via the RSC consent agenda. Shawnee Claiborn-Pinto (PUCT) motioned/Cindy Ireland (APSC) seconded. *The motion passed unanimously.*

MOTION: The Cost Allocation Working Group recommends the Regional State Committee approve RR798 – Intermediate Planning with the inclusion of SPP Staff comments as presented 9/03/2026. Matt Alvarado (IUC) motioned/Jon Thurber (SDPUC) seconded. *The motion passed unanimously.*

Action Items

1. CAWG Members to provide feedback on the proposed 2027 meeting schedule no later than September 10.
2. Seek RSC input on Public Policy Cost Allocation prior to Staff beginning to draft the revision request.
3. RR807 – SRFI: Request commenters to provide succinct summary of comments as related to RSC/CAWG authority.
4. RR791 - PALS: Staff to bring back Staff's position related to the authority over transmission rates.

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MINUTES

Agenda Item 1 – CALL TO ORDER AND ADMINISTRATIVE ITEMS

John Krajewski (NPRB) called the meeting to order at 9:00 a.m. CT and a quorum was established. The following members were in attendance or were represented by proxy:

John Krajewski, Chair – Nebraska Power Review Board (NPRB)

Adam McKinnie – Missouri Public Service Commission (MOPSC)

Agata Malek – New Mexico Public Regulation Commission (NMPRC)

Cindy Ireland – Arkansas Public Service Commission (APSC)

Gerald Deaver – Colorado Public Utilities Commission (COPUC)

Jason Chaplin – Oklahoma Corporation Commission (OCC)

Jon Thurber – South Dakota Public Utilities Commission (SDPUC)

Justin Grady – Kansas Corporation Commission (KCC)

Kara Kolkman – Wyoming Public Service Commission (WYPSC)

Lane Sisung – Louisiana Public Service Commission (LPSC)

Lise Trudeau – Minnesota Public Utilities Commission (MNPUC), *proxy Ben Kodres O'Brien*

Matt Alvarado – Iowa Utilities Commission (IUC)

Shawnee Claiborn-Pinto – Public Utilities Commission of Texas (PUCT)

Steve Olea – Arizona Corporation Commission (AZCC)

Tedann Olsen – Utah Public Service Commission (UTPSC)

Victor Schock – North Dakota Public Service Commission (NDPSC), *proxy Chris Hanson*

Agenda Item 2 – CONSENT AGENDA

The consent agenda included the agenda for the current meeting, the meeting minutes from August 10, 2026 and August 21, 2026, the CAWG Workplan, and RR792 – Business Practice 8200 Effective Load Carrying Capability.

MOTION: To approve the Consent Agenda. Cindy Ireland (APSC) motioned/Shawnee Claiborn-Pinto (PUCCT) seconded. *The motion passed unanimously.*

Agenda Item 3 – REVIEW OF PAST ACTION ITEMS

Angela Sartori (SPP) reviewed the status of open action items and highlighted Action Item 203, a Seams update scheduled for the September agenda, and Action Item 204, under which John Krajewski (NPRB) will provide a presentation to the CARE Team at the September CARE meeting.

Agenda Item 4 – FERC UPDATE

Justin Hinton (SPP) provided an update on the pending FERC dockets.

Agenda Item 5 – CARE TEAM UPDATE

Justin Grady (KCC) provided an update on the August CARE Team meeting, noting progress toward high-level final recommendations and votes anticipated at the upcoming meeting in September. Chair Krajewski noted that significant work will be required next year to implement the recommendations, including potential adjustments to 765 kV cost allocation and corresponding impacts to 345 kV and lower-voltage cost allocation.

Agenda Item 6 – RESOURCE ADEQUACY UPDATE

- a. **Supply Adequacy Working Group:** Justin Grady (KCC) provided an update from the August SAWG meeting, noting that three approval items were passed and were included on the CAWG agenda. Mr. Grady also reported that the 2030 load projection increased by approximately 10,000 MW compared with last year's forecast due to updated modeling and forecasting. Chris Haley (SPP) clarified that the increase primarily reflects a catch-up in projected winter load relative to summer load. The updated load projections are expected to impact subsequent resource adequacy analyses.
- b. **REAL Team:** Shawnee Claiborn-Pinto (PUCT) noted that the REAL Team had not had a meeting recently and no update was available.

Agenda Item 7 – SEAMS UPDATE

Clint Savoy (SPP) provided an update on Seams planning activities. Mr. Savoy noted that the Dora-Yell and Anthem-Dora-Yell projects met APC benefit criteria and will advance to supplemental reliability and extreme-weather analysis, while other projects are not expected to advance. The MISO-SPP CSP is in early scoping, with a report expected in April 2028. The AEI-SPP Joint CSP study is ongoing, with a report expected in December, and MOMENT is being tested in the 2026 ITP portfolio. Future work may address cost sharing, JOA enhancements, and cost allocation for cross-interconnection transfer capability.

Agenda Item 8 – RR743 – COST OF NEW ENTRY (CONE)

Chris Haley (SPP) reviewed RR743, which establishes a transparent methodology and three-year recalculation cycle for CONE values for the SPP East and West Balancing Authority Areas. Mr. Haley also identified three issues for future consideration: Accreditation/Multiplier, Sufficiency Valuation Curve, and Scaling Factors. These issues will be added to the REAL Team workplan for discussion later this year or in early 2027.

MOTION: The Cost Allocation Working Group recommends the Regional State Committee approve RR743-Cost of New Entry Process, as presented. Matt Alvarado (IUC) motioned/Adam McKinnie (MOPSC) seconded. *The motion passed unanimously.*

Agenda Item 9 – RR793 – ONSITE FUEL

Bryce Keaton (SPP) presented RR793, which would extend the treatment provided under the performance-based accreditation policy to existing resources that add on-site fuel. The CAWG discussed recommending that the RSC place RR793 on its consent agenda to facilitate consideration at the November meeting.

MOTION: The Cost Allocation Working Group recommends the RSC approve RR793 – Onsite Fuel, as presented, and recommends approval via the RSC consent agenda. Shawnee Claiborn-Pinto (PUCT) motioned/Cindy Ireland (APSC) seconded. *The motion passed unanimously.*

Agenda Item 10 – RR797 – ATTACHMENT AA SUBMISSION DATE ALIGNMENT

Bradley Payne (SPP) presented changes to RR797, which proposes shifting key resource adequacy compliance workbook, report, and notification dates two weeks later to better align with firm transmission service requirements and provide entities additional submission time. RR797 is slated for CAWG consideration in October, likely via the consent agenda with a recommendation for inclusion on the RSC consent agenda.

Agenda Item 11 – CPP SCOPE: PUBLIC POLICY COST ALLOCATION

Nick Parker (SPP) led a discussion on whether the public policy cost allocation methodology established under RR757 (Order 1920 Public Policy Cost Allocation) should be extended to CPP10. Members discussed the definition and validation of public policy needs, including how state mandates should be considered. Two polls were conducted to gauge direction

Poll 1: Does CAWG recommend applying the intent of RR757 to all public policy projects from the CPP?

Yes	10 votes
No	5 votes

Two implementation approaches were also considered. Option 1 would require comprehensive analysis with separate futures that remove public policy assumptions, while Option 2 would use targeted needs assessment and incremental cost analysis within the existing modeling framework.

Poll 2: Which approach does CAWG recommend to implement this policy from Decision #1?

- *Option 1: Completely remove all aspects of public policy starting at the resource planning milestone*
- *Option 2: Remove any Public Policy Needs*

Option 1	1 vote
Option 2	7 votes
Abstain	6 votes

Members emphasized the need for clear definitions, validation of public policy needs, stakeholder input, and improved reporting to the RSC on the number and scope of public policy projects. Also, some CAWG members wanted to note that proceeding with Option 2 should not preclude the RSC from requesting an additional future to evaluate public policy needs if it is deemed necessary at some later point. An action item was established to gain RSC direction before drafting the RR.

Agenda Item 12 – WEST RESOURCE PLAN

Ethan Perley (SPP) provided an informational update on the West Resource Plan, explaining that the Encompass capacity expansion model identifies capacity shortfalls, renewable requirements, and generation needs that feed into the siting plan and economic model. He reviewed key modeling inputs, including planning reserve margin, ELCC, renewable requirements, spot loads, and IRP additions. Summer ELCC values were not yet available for the West, and winter values were preliminary; these will be refined in future annual studies. The scoped renewable amounts resulted in some apparent generation overbuilds to ensure policy requirements are met. The study

results will feed into the approved siting plan, where generation is assigned specific locations before being incorporated into the economic model.

Agenda Item 13 – RR798 – INTERMEDIATE PLANNING

Brooke Keene (SPP) presented RR798, which establishes an intermediate planning process focused on needs arising within the 0–3-year horizon, bridging real-time operations and long-term planning. The revision includes SPP Tariff and business practice changes and a new planning manual. The process is intended for targeted operational needs, with economic projects requiring an APC benefit-cost ratio of at least 1.25 and a need arising within three years.

Stakeholder feedback resulted in removal of mobile assets from the repository of potential solutions and will be addressed separately. The RR excludes greenfield 345 kV-and-above solutions, deferring those projects to the ITP/CPP process. Members also discussed the treatment of rebuilds and reconductoring projects, cost allocation, and the importance of objective issue identification and process integrity.

MOTION: The Cost Allocation Working Group recommends the Regional State Committee approve RR798 – Intermediate Planning with the inclusion of SPP Staff comments as presented 9/03/2026. Matt Alvarado (IUC) motioned/Jon Thurber (SDPUC) seconded. *The motion passed unanimously.*

Agenda Item 14 – RR791 – PRICE ADAPTIVE LOAD SERVICE (PALS)

Jonathan Hathhorn and Steve Davis (SPP) provided an overview of PALS (RR 791), a non-firm, long-term, highly curtailable transmission and market service intended to serve loads during system constraints. PALS includes a \$25/MWh bid cap and dispatchability features designed to support market participation and system utilization. PALS loads would pay existing hourly transmission rates and participate in socialized market costs, and the product does not affect resource adequacy requirements as it will be treated as if it is a load reduction demand response program.

The group also discussed RSC authority over PALS, specifically regarding cost allocation and transmission rates. Staff clarified that PALS does not change Schedule 11 cost allocation. Members generally supported placing the item on the consent agenda for approval due to its limited impact on RSC areas of authority, assuming authority over the revisions in Business Practice 8100 only. However, Noah Long (Antora) raised concerns that PALS involves significant cost allocation considerations and should receive further discussion. An action item was established for SPP Staff to provide their perspective on RSC authority over cost allocation and transmission rates.

Agenda Item 15 – RR807 – STORAGE RELIABILITY AND FLEXIBILITY INITIATIVE

Kathryn Dial (SPP) presented RR807, addressing electric storage resource load assessment (ESR-LA), charging limitations, and transmission service requirements for storage resources. The

proposal would require storage resources seeking designated network resource status to obtain firm transmission service for charging, incorporate charging limitations into resource adequacy accreditation, and provide greater operational flexibility through updated GIA language and business practices.

Staff indicated that October MOPC/November RSC/Board approval would provide projects sufficient time to complete required AQ/AX studies. Stakeholders raised concerns regarding storage accreditation, resource adequacy impacts, and access to firm transmission service.

An action item was established for stakeholders to submit a summary of comments for issues related to CAWG/RSC authority for the CAWG to consider. The CAWG is slated to consider RR807 for approval in September.

Agenda Item 16 – 2027 MEETING PLANNING

Angela Sartori (SPP) shared proposed 2027 meeting dates. An action item was established for CAWG members to submit feedback on the proposal no later than September 10, 2026.

Agenda Item 17 – WORKING GROUP UPDATES

No working group updates were identified.

Agenda Item 18 – UPCOMING ITEMS FOR RSC

ITEM	CAWG STATUS	ANTICIPATED CAWG APPROVAL	ANTICIPATED RSC APPROVAL
RR743 – CONE Process	Approved	✓	Nov 2026
RR791 – Price Adaptive Load Service	Education	Oct 2026	Nov 2026
RR792 - Business Practice 8200 Effective Load Carrying Capability	Approved	✓	Nov 2026
RR793 – Onsite Fuel	Approved	✓	Nov 2026
RR797 – Attachment AA Submission Date Alignment	Education	Oct 2026	Nov 2026
RR798 – Intermediate Planning Cost Allocation	Approved	✓	Nov 2026
CPP 10 Public Policy Cost Allocation	Discussion	TBD	TBD
RR807 – Storage Reliability Flexibility Initiative	Education	Oct 2026	Nov 2026

Agenda Item 19 – ACTION ITEMS

1. CAWG Members to provide feedback on 2027 meeting schedule no later than September 10.

2. Seek RSC input on Public Policy Cost Allocation prior to Staff beginning to draft the revision request.
3. RR807 – SRFI: Request commenters to provide succinct summary of comments as related to RSC/CAWG authority.
4. RR791 - PALS: Staff to bring back Staff's position related to the authority over transmission rates.

Agenda Item 20 – UPCOMING MEETINGS

MONTH	DATE	START TIME	FORMAT
October	Thursday, October 1, 2026	9:00 am CT	virtual
November	Thursday, November 12, 2026	9:00 am CT	virtual
December	Thursday, December 10, 2026	8:30 am MT	in-person (Denver, CO)

Agenda Item 21 – ADJOURNMENT

Chair Krajewski adjourned the meeting at 11:43 am MT.

Respectfully Submitted,

Angela Sartori
CAWG Staff Secretary