

COST CONTROL & ALLOCATION REVIEW & EVALUATION TEAM MEETING

July 6, 2026

9:00 a.m. – 5:00 p.m. CT

Virtual

SUMMARY OF MOTIONS AND ACTION ITEMS

Motions

Motion: The CARE Team approves the meeting minutes from June 15-16, 2026. Kevin Gunn (Evergy) motioned/Stuart Solomon (SPP Board) seconded. *The motion passed unanimously.*

Motion: The CARE Team endorses the financial package for two FTEs billable to the Focused Portfolio project owners and directs Staff to submit the proposal into the SPP budget process. Commissioner Kathleen Jackson (PUCT) motioned/Dennis Florom (LES) seconded. *The motion passed unanimously.*

Action Items:

1. CARE Team members to provide feedback and/or redlines on the Coincident Peak + Energy "one pager".
2. Staff to follow up with the CAWG and RSC for input on the transparency requirements of the FERC Show Cause on Large Loads.
3. Staff will expand the megawatt-mile and megawatt-shift analysis to include progression scenarios that evaluate the cumulative impacts of sequential EHV overlay development (South, South + Central, and South + Central + North), in addition to the planned deliverability area-specific analyses, using the same models with updated contingency assumptions.



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MINUTES

Agenda Item 1 – CALL TO ORDER

Chair Kayla Hahn (MOPSC) called the meeting to order at 9:00 a.m. CT and welcomed everyone. The following members were present or represented by proxy:

Chair Kayla Hahn, Missouri Public Service Commission (MOPSC)
Steve Wright, SPP Board of Directors (SPP Board)
Jason Chaplin, Oklahoma Corporation Commission (OCC)
Randel Christmann, North Dakota Public Service Commission (NDPSC)
Dennis Florom, Lincoln Electric System (LES)
Justin Grady, Kansas Corporation Commission (KCC)
Kevin Gunn, Evergy
Tyler Huebner, Google
Chuck Hutchison, Nebraska Power Review Board (NPRB)
Kathleen Jackson, Public Utility Commission of Texas (PUCT)
Jeremy Severson, Basin Electric Power (BEP)
Stuart Soloman, SPP Board of Directors (SPP Board)
Justin Tate, Arkansas Public Service Commission (APSC)
Jon Thurber, South Dakota Public Utilities Commission (SDPUC)
Michael Wise, Golden Spread Electric Cooperative (GSEC)

Agenda Item 2 – ADMINISTRATIVE ITEMS

A. Approval of Minutes

MOTION: The CARE Team approves the meeting minutes from May 6, 2026. Kevin Gunn (Evergy) motioned/Stuart Solomon (SPP Board) seconded. *The motion passed unanimously.*

B. Review of Action Items

Kim O'Guinn (SPP) reviewed open action items from previous meetings.

C. Agenda Review

Chair Hahn (MOPSC) provided a review of the meeting agenda.

Agenda Item 3 – CARE Roadmap

Kim O’Guinn (SPP) presented a detailed roadmap outlining the planned timeline and key agenda items for upcoming meetings leading into the final recommendations with votes scheduled for September and October. The roadmap covers major topics including cost allocation, cost containment, and large load issues. Staff noted that recommendations will be supported by one- to two-page summaries designed to streamline stakeholder feedback and guide working group engagement.

Agenda Item 4 – Cost Containment Process Recommendation

Tony Green (SPP) presented the focused portfolio framework, which establishes enhanced monitoring and standardized reporting for major transmission projects—those exceeding 345 kV, costing over \$500 million, or designated as special-value projects. Monthly reporting will begin after the Notification to Construct (NTC) commitment and transition to an online dashboard in early 2027. Stakeholder groups, including PCWG, will support development of related business practices and tariff updates. The team emphasized the need for consistent cost and schedule metrics to identify risks and support timely corrective action. Existing cost-overrun thresholds remain unchanged, with additional construction-phase metrics to be developed through working groups. Members also discussed incorporating reliability and congestion considerations into reporting, noting transparency benefits while acknowledging that additional tools may be needed to address project delays. Staff outlined the need for two new full-time employees, one in Engineering and one in Regulatory, to support monitoring, analysis, and communication. The estimated annual cost is \$400,000, proposed to be billed to focused-portfolio project owners.

Motion: The CARE Team endorses the financial package for two FTEs billable to the Focused Portfolio project owners and directs Staff to submit the proposal into the SPP budget process. Commissioner Kathleen Jackson (PUCT) motioned/Dennis Florom (LES) seconded. *The motion passed unanimously.*

Agenda Item – Competitive DTO Agreement & Short-Term Reliability Projects

Paul Suskie (SPP) Paul Suskie provided an update on efforts to develop standardized agreements between SPP and designated transmission owners (DTOs) following competitive project awards. Stakeholders discussed RR785, which proposes new DTO agreements, as well as an alternative proposal from transmission owners. Mr. Suskie also updated the group on the development of standardized agreements for Short-Term Reliability Projects (STRPs) awarded to incumbent transmission owners. Staff is working with the three affected transmission owners to finalize a pro

forma agreement for Board consideration in November 2026, with the intent of using the agreement for future STRP awards beginning in 2027.

Agenda Item 6 – FERC Show Cause on Large Loads

Paul Suskie (SPP) provided a review of the recent FERC Show Cause Order on large loads, noting SPP is largely compliant and that CARE's role will focus on transparency and cost-shifting protections, while Staff will address the remaining compliance items through separate efforts. Stakeholders supported the approach to meeting the FERC compliance deadlines while maintaining CARE's broader work plan. State regulators were also encouraged to provide early input on transparency requirements to inform SPP's filing.

Agenda Item 7 – Cost Allocation

A. CP & Energy Discussion

Chair Hahn introduced the “one-pager” outlining the addition of an energy component to the Coincident Peak (CP) load ratio share allocator. Feedback and redlines on the “one-pager” may be sent to the Co-Chairs and/or Staff.

B. Regional/Deliverability Area Split

i. MW-Mile and MW-Shift Overview

Sunny Raheem (SPP) provided an overview of the megawatt mile and megawatt shift methodologies, including their history, purpose, and intended use in upcoming CARE discussions. Participants raised concerns about relying on snapshot-based studies for cost allocation because the system evolves and agreed that megawatt mile and shift should serve primarily as defensibility metrics supporting decisions about regional versus deliverability-area cost splits rather than as direct allocators. Broader discussion centered on whether early-stage facilities should be allocated more locally until later segments create wider regional benefits, and how to determine the trigger for shifting toward regional allocation. Some participants questioned whether early construction in one area could inadvertently subsidize growth elsewhere. Staff emphasized that decisions will need to be defensible for FERC. The group acknowledged that multiple analyses will be needed to inform any recommended cost-assignment approach. Participants also noted the importance of comparing any potential alternative approach to the existing Highway/Byway methodology.

ii. Technical Analysis Overview

Sunny Raheem (SPP) provided an overview of the completed high-level analysis of the EHV overlay, including the 2025 ITP EHV overlay and portfolio-adjusted production cost benefits. Staff also previewed the remaining technical analyses planned for the

July 23 and August 24 meetings. The analyses will be used to inform recommendations on the appropriate balance of regional and Deliverability Area cost allocation and support CARE's policy discussions.

iii. ERAS, Load Connection, & ITP Forecasts

Kirk Hall (SPP) reviewed resource adequacy, ITP, and transmission service data, highlighting continued acceleration in load growth across SPP planning processes. Staff noted that recent actual peak demands have exceeded forecasts, updated 2027 ITP forecasts reflect higher load expectations than prior studies, and large load requests continue to increase through the Attachment AQ and AX processes. Staff emphasized that consistent trends across resource adequacy, transmission planning, and transmission service studies reinforce the need for continued transmission investment. During discussion, staff clarified the distinction between coincident and non-coincident peak demand, explained that references to ERAS data were intended to reflect resource adequacy studies, and noted that planning assumptions and forecasts will continue to be updated as additional load information becomes available.

Agenda Item 9 – Action Items Review

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3. Staff will expand the megawatt-mile and megawatt-shift analysis to include progression scenarios that evaluate the cumulative impacts of sequential EHV overlay development (South, South + Central, and South + Central + North), in addition to the planned deliverability area-specific analyses, using the same models with updated contingency assumptions.

Agenda Item 10 – Next Steps

The July 23rd meeting will be held at the Hilton O'Hare Airport in Chicago, IL.

Agenda Item 11 – Adjournment

Chair Hahn adjourned the meeting at 3:25 pm CT.