

COST ALLOCATION WORKING GROUP JOINT MEETING WITH ECONOMIC STUDIES WORKING GROUP

Thursday, June 25, 2026

9:00 – 11:00 A.M. CT

Virtual

SUMMARY OF MOTIONS AND ACTION ITEMS

Motions

MOTION: CAWG recommends to approve a 1.25 Benefit-to-Cost threshold for use in the economic portfolio development milestone in the ITP/CPP, High Priority, Coordinated System Planning (CSP), and 20-Year Assessment. Shawnee Clairborn-Pinto (PUCT) motioned/Chris Hanson (NDPSC) seconded. *The motion passed with nine votes in favor, four opposed (AZCC, MNPUC, OCC, SDPUC) and one abstention (WYPSC).*



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MINUTES

CALL TO ORDER AND ADMINISTRATIVE ITEMS

During the Economic Studies Working Group (ESWG) meeting, Chair John Krajewski (NPRB) called the Cost Allocation Working Group (CAWG) to order at 9:27 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), *proxy Eugene Mauk (as needed)*

Adam McKinnie – Missouri Public Service Commission (MOPSC), *proxy Rich Germinder*

Agata Malek – New Mexico Public Regulation Commission (NMPRC), *proxy Angelah Magofna*

Cindy Ireland – Arkansas Public Service Commission (APSC)

Greg Rislov – South Dakota Public Utilities Commission (SDPUC)

Jason Chaplin – Oklahoma Corporation Commission (OCC)

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)

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*

Gerald Deaver – Colorado Public Utilities Commission (COPUC) was not present.

CARE DIRECTED ASSESSMENT OF THE BENEFIT COST RATIO THRESHOLD

Joshua Pilgram and Maurisa Hughes (SPP Staff) provided additional details concerning the CARE directed evaluation of the economic benefit-to-cost ratio (B/C) threshold. Staff clarified that this evaluation pertains specifically to the Portfolio Development phase within the planning process. Historical analyses were cited, indicating that raising the B/C threshold to 1.25 would not have substantially altered the selection of previous projects.

The discussion centered on several issues, including the risk of overstating economic benefits in modeling, the challenge of balancing project selection criteria with the need for timely infrastructure development, the potential for a cost overruns reducing the B/C on a given project below 1.0, the gap between planning models and real-world operational practices, and concerns about possible unintended consequences from changes to the B/C threshold. SPP Staff confirmed their ability to recommend projects that fall below the established benefit-to-cost ratio when such projects offer significant overall value and are accompanied by appropriate justification.

MOTION: CAWG recommends to approve a 1.25 Benefit-to-Cost threshold for use in the economic portfolio development milestone in the ITP/CPP, High Priority, Coordinated System Planning (CSP), and 20-Year Assessment. Shawnee Clairborn-Pinto (PUCT) motioned/Chris Hanson (NDPSC) seconded. *The motion passed with nine votes in favor, four opposed (AZCC, MNPUC, OCC, SDPUC) and one abstention (WYPSC).*

After the CAWG voted, the ESWG took up the same recommendation and approved a 1.25 B/C threshold with the following additional language:

If an economic project has a B/C ratio under 1.25, if based on engineering judgement, Staff believes it is a beneficial project for the portfolio and it will provide benefits worth considering in the consolidated portfolio, they have the discretion to move it forward for further consideration. Staff shall justify that decision in the final transmission project separately in the final report.

The CAWG reviewed similar language and decided against its inclusion in the motion, determining that it was unnecessary.

ACTION ITEMS

No new action items were established.

UPCOMING MEETINGS

MONTH	DATE	START TIME	FORMAT
July	Wednesday, July 8, 2026	9:00 am CT	Virtual

August	Monday, August 10, 2026	9:00 am CT	Virtual
September	Thursday, September 3, 2026	8:30 am MT	in-person (Denver, CO)
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)

ADJOURNMENT

Chair Krajewski adjourned the CAWG at 11:26 a.m. CT

Respectfully Submitted,

Angela Sartori
CAWG Staff Secretary