

COST ALLOCATION WORKING GROUP MEETING

Monday, August 10, 2026

9:00 A.M. CT – 4:00 P.M. CT

Virtual

SUMMARY OF MOTIONS AND ACTION ITEMS

Motions

MOTION: To approve the Consent Agenda. Cindy Ireland (APSC) motioned/Agata Malek (NMPRC) seconded. *The motion passed unanimously.*

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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), *proxy Angelah Magofna*

Cindy Ireland – Arkansas Public Service Commission (APSC)

Jon Thurber – 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), *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)

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

Gerald Deaver (COPUC) and Tedann Olsen (UTPSC) were not present.

Agenda Item 2 – CONSENT AGENDA

The consent agenda included the agenda for the current meeting, the meeting minutes from July 8, 2026, and the CAWG workplan.

MOTION: To approve the Consent Agenda. Cindy Ireland (APSC) motioned/Agata Malek (NMPRC) seconded. *The motion passed unanimously.*

Agenda Item 3 – REVIEW OF PAST ACTION ITEMS

Angela Sartori (SPP) reviewed the status of open action items noting that a Seams update would be provided at the September meeting.

Agenda Item 4 – FERC UPDATE

Justin Hinton (SPP) provided an update on the pending FERC dockets. Adam McKinnie (MOPSC) inquired about tracking a competitive waiver complaint docket, which Staff agreed to monitor.

Agenda Item 5 – RESOURCE ADEQUACY UPDATE

- a. Supply Adequacy Working Group:** Justin Grady (KCC) provided an update from the July SAWG meeting.
- 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 6 – CARE TEAM UPDATE

Justin Grady (KCC) provided a recap of the July CARE Team meeting.

Agenda Item 7 – RR798 – INTERMEDIATE PLANNING EDUCATION

Brooke Keene (SPP) presented an overview of RR798, which establishes a framework for two types of intermediate planning studies to address emerging reliability, operational, load integration, and economic needs within the 1–3-year planning horizon. Discussion focused on the scope of intermediate planning and concerns that large-scale projects could be advanced through the process without sufficient cost or scope limitations. Participants discussed proposed cost allocation for SPP-initiated intermediate planning projects, including concerns regarding Base Plan funding, overlap with existing planning processes, and appropriate controls for large greenfield EHV projects. Staff explained that larger solutions identified through intermediate planning would be evaluated through future ITP and CPP processes to ensure broader portfolio consideration. Potential safeguards included cost thresholds, RSC approval of Base Plan funding, or excluding greenfield EHV projects from the process. The group agreed to continue refining the language and controls before the September vote, with stakeholders encouraged to provide specific proposed revisions.

Agenda Item 8 – RR791 – PRICE ADAPTIVE LOAD SERVICE (PALS)

Steve Davis (SPP) and Chris Davis (SPP) provided an educational overview of RR791, which proposes Price Adaptive Loads (PALS) as a new long-term non-firm transmission service for flexible large loads. PALS would participate in the market under a demand bid cap, be highly curtailable during emergencies, and not contribute to resource adequacy requirements. Staff noted that PALS is also included in SPP's response to the FERC Show Cause Order. The CAWG is slated to vote on RR791 in October.

Noah Long (Antora) expressed support for developing PALS but raised concerns regarding the proposed cost allocation and transmission service design, particularly the proposed bid cap and use of peak-based pre-scheduled hourly rates. Mr. Long suggested alternatives such as off-peak non-firm point-to-point rates and requested a transparent methodology for establishing and annually reviewing the bid cap. He also recommended extending the initial approval period from ten years to 15 or 20 years to better support project financing.

Agenda Item 9 – RR743 – COST OF NEW ENTRY (CONE)

Chris Haley (SPP) provided an update on the CONE process, noting no significant opposition at the SAWG but continued discussion regarding accreditation impacts and data sources. The SAWG agreed to use F-class technology and NREL data for accreditation calculations because the data are updated more frequently than EIA data. The group will continue evaluating whether accreditation impacts should be incorporated into CONE calculations and discussed developing a future combined RR addressing accreditation impacts, the sufficiency valuation curve, and scaling factors. The RR is targeted for SAWG approval in August, CAWG approval in September, and RSC approval in November. The group also discussed whether western states should be included in CONE value averaging and agreed to further evaluate the issue.

Agenda Item 10 – RR792 – BUSINESS PRACTICE 8200 EFFECTIVE LOAD CARRYING CAPABILITY (ELCC)

Philip Choi (SPP) presented RR792, which would incorporate ELCC study scoping into a business practice to standardize study assumptions, timelines, and procedures and improve consistency and transparency. The revision would eliminate the annual study-scoping process, allowing additional time for analysis. Since this proposed change does not alter any previously approved RSC policies, this RR is slated for September CAWG approval, likely as part of the consent agenda.

Agenda Item 11 – RR793 – ONSITE FUEL

Bryce Keaton presented RR793, which would allow existing resources that add on-site fuel to be treated similarly to resources undergoing an energy or fuel type change for accreditation purposes. The RR originated from OPPD comments and has received positive feedback from the SAWG without significant opposition. The proposed approval timeline targets CAWG approval in September via a formal vote.

Agenda Item 12 – RR797 ATTACHMENT AA SUBMISSION DATE ALIGNMENT

Bradley Payne presented (RR797), which would align resource adequacy submission dates across Attachment AA, the Planning Criteria, and applicable Business Practices to eliminate inconsistencies and establish a consistent schedule for resource adequacy requirements, ELCC studies, and performance-based accreditation studies. Since this proposed change does not alter any previously approved RSC policies contained in Attachment AA, this RR is targeted for approval at the September CAWG meeting, likely via the consent agenda.

Agenda Item 13 – PUBLIC POLICY COST ALLOCATION

Nick Parker (SPP) presented a proposal to extend the public policy cost allocation framework established in RR757 for the 20-year Consolidated Planning Process (CPP) to projects identified through the CPP 10 planning process. Projects determined to be solely needed to address public policy requirements would be fully allocated to the states responsible for those requirements, while multi-value projects would require incremental cost allocation analysis to identify and allocate the portion of costs attributable to public policy needs.

The group discussed challenges associated with identifying state-specific needs and determining deliverability requirements, including whether both resource planning and deliverability tests are necessary. The need for clear direction from the CAWG by September was emphasized to allow the necessary tariff and manual changes to proceed in support of Q1 2027 implementation. The group agreed to prepare for a more detailed discussion and decision on the proposed public policy cost allocation approach at the September meeting.

Agenda Item 14 – QUARTERLY PROJECT TRACKING

Scott Maple presented the Quarterly Project Tracking report, which provided an overview of completed, issued, and withdrawn transmission upgrades across the SPP footprint, including project locations, types, funding mechanisms, and in-service date delays.

Agenda Item 15– WORKING GROUP UPDATES

Chair Krajewski solicited volunteers to monitor the Regional Transmission Working Group (RTWG) and provide updates on matters relevant to the CAWG. Adam McKinnie (MOPSC) provided an update on MISO Coordinated System Planning activities, including upcoming meetings and study scopes.

Agenda Item 16 – UPCOMING ITEMS FOR RSC

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

Agenda Item 15 – ACTION ITEMS

No new formal action items were established.

Agenda Item 16– UPCOMING MEETINGS

Angela Sartori (SPP) presented a proposed 2027 meeting format designed to improve coordination between the CAWG and SAWG and increase administrative efficiency. The proposal would include a joint session to cover resource adequacy issues under the RSC authority. Discussion focused on meeting locations, travel schedules, start times, and venue availability. Ms. Sartori requested feedback on the proposal for discussion in September.

MONTH	DATE	START TIME	FORMAT
September	Wednesday, September 2, 2026 Thursday, September 3, 2026	1:00 pm MT 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)

Agenda Item 17 – ADJOURNMENT

Chair Krajewski adjourned the meeting at 2:40 pm CT.

Respectfully Submitted,

Angela Sartori
CAWG Staff Secretary