

May 14, 2026

Dear WestConnect Enrolled Transmission Owners:

On behalf of the Relevant State Entities (RSEs) from the states that comprise the WestConnect transmission planning region,¹ the Committee on Regional Electric Power Cooperation's (CREPC's) 1920 Ad Hoc Committee² submits these comments with regard to the transmission planning and project selection provisions contained in the draft tariff document³ WestConnect has circulated, which we understand WestConnect's enrolled transmission owners intend to file with the Federal Energy Regulatory Commission (FERC) in compliance with FERC Orders No. 1920, 1920-A, and 1920-B⁴ (Order No. 1920).⁵

Background

FERC Order No. 1920 requires transmission providers subject to FERC jurisdiction to conduct long-term transmission planning in each transmission planning region.

Transmission providers in a region (through their regional planning entities) during a transmission planning cycle must develop at least three long-term scenarios (including a sensitivity for each scenario) derived from at least seven factors⁶ identified by FERC. The

¹ Arizona Corporation Commission (AZCC); Colorado Electric Transmission Authority; Colorado Energy Office; Colorado Public Utilities Commission; Montana Department of Environmental Quality; Montana Public Service Commission; New Mexico Energy, Minerals, and Natural Resources Department; New Mexico Public Regulation Commission; New Mexico Renewable Energy Transmission Authority; New Mexico State Land Office; Public Utility Commission of Texas (PUCT); South Dakota Public Utilities Commission; Wyoming Department of Environmental Quality/Industrial Siting Council; Wyoming Energy Authority; Wyoming Game and Fish Department; Wyoming Office of the Consumer Advocate; and Wyoming Public Service Commission. Although the AZCC and PUCT have participated in discussions with the WestConnect RSEs regarding the subject matter in this letter, the AZCC and PUCT do not take a position with respect to the comments presented in the Discussion section.

² CREPC formed the 1920 Ad Hoc Committee to help facilitate the RSEs participation in discussions with NorthernGrid and WestConnect and their enrolled transmission owners in advance of the transmission owners' submissions of their Order No. 1920 compliance plans to FERC. The Committee consists of representatives from each of the RSEs in both planning regions.

³ WestConnect Transmission Providers' Draft Section IX (Long-Term Regional Transmission Planning)

⁴ 187 FERC ¶ 61,068 (2024) ("Order No. 1920"); 189 FERC ¶ 61,126 (2024) ("Order No. 1920-A"); 191 FERC ¶ 61,026 (2025) ("Order No. 1920-B").

⁵ This letter does not address ongoing cost allocation discussions RSEs continue to have through the Ad Hoc Committee with WestConnect and the enrolled transmission owners. Comments addressing cost allocation proposals may be submitted separately at a future date.

⁶ FERC Order No. 1920 lists the following seven factors: 1) Federal, state, local, and federal recognized Tribal laws affect resource mix and demand; 2) Federal, state, local, and federally recognized Tribal laws on decarbonization and electrification; 3) State-approved utility integrated resource plans and load-serving entities' expected supply obligations; 4) Trends in fuel costs and in the cost, performance, and availability of

planning region must also consider transmission projects and alternatives that address long-term regional transmission needs and assess the positive attributes of each potential project by evaluating at least seven identified benefits.⁷ After examining the benefits and costs associated with the potential projects, the transmission planning region then will determine whether to select any of the identified transmission projects or alternatives for development for the purposes of cost allocation.

Recognizing that the states play a critical role in the evaluation, development, and siting of transmission facilities (including regionally planned projects), Order No. 1920 provides RSEs (state utility regulators and state agencies that have transmission siting responsibility) with several opportunities to offer meaningful input to transmission providers and the planning regions both before the transmission providers submit their compliance plans to FERC as well as throughout the transmission planning cycle.

For instance:

- Transmission providers must provide RSEs a forum during a State Engagement Period to evaluate and provide input on the transmission providers' proposed *ex ante* cost allocation methodology for transmission projects selected for the purposes of cost allocation.⁸ The RSEs can also choose during the State Engagement Period to propose their own *ex ante* cost allocation methodology, which transmission providers would have to submit to FERC as part of their compliance filings.⁹
- The RSEs also have the option of choosing to develop and propose their own State Agreement Process (enabling states to seek to develop an alternative cost allocation methodology for a particular project or projects after they are selected for the purposes of cost allocation) and comment on any State Agreement Process proposed by the transmission providers.¹⁰

generation, electric storage resources, and building and transportation electrification technologies; 5) Generator retirements; 6) Generator interconnection requests and withdrawals; and 7) Utility commitments and federal, state, local, or federally recognized Tribal policy goals that affect long-term transmission needs. Order No. 1920 at P. 409.

⁷ FERC Order No. 1920 lists the following seven benefits to consider in the cost-benefit analysis of long-term transmission planning: 1) avoided or deferred reliability transmission facilities and aging infrastructure replacement; 2) reduced loss of load probability or reduced planning reserve margin; 3) production cost savings; 4) reduced transmission energy losses; 5) reduced congestion due to transmission outages; 6) mitigation of extreme weather events and unexpected system conditions; and 7) capacity cost benefits from reduced peak energy losses. *Id.* at P. 720.

⁸ *Id.* at P. 1357

⁹ Order No. 1920-A at P. 651.

¹⁰ Order No. 1920 at PP. 1357-1358.

- The transmission providers must consider the input of RSEs during the transmission planning process, including consideration of the RSEs views of the impact state public policies will have on regional transmission needs.¹¹
- Transmission providers (and the transmission planning region) must prepare and consider the results of a “reasonable number” of additional scenarios requested by the RSEs.¹²
- In addition, RSEs and other stakeholders will be able to provide input on other elements of the compliance plans submitted by each transmission provider, including the benefits that will be used to evaluate proposed solutions to needs identified during the transmission planning process and the process for selecting proposed projects for the purposes of cost allocation.¹³

Discussion

As a recent report prepared by the Western Transmission Expansion Coalition (WestTEC) notes, the Western Interconnect will require a substantial amount of additional high voltage transmission capacity over the next ten years to reliably keep up with projected load growth.¹⁴ Although many of these projects are already in the planning and development stages, WestTEC identified 32 additional projects that will be needed by 2035.¹⁵ WestTEC is also expected to release an additional report towards the end of this year that identifies the region’s needs over the next 20 years, which will undoubtedly recommend further additions of transmission capacity in the West.

Western states, including those in the WestConnect planning region, have a strong interest in ensuring that the transmission grid is sufficiently robust to maintain reliability and enable utilities and their customers to access cost effective energy resources. At the same time, we want to ensure that our residents and businesses do not overpay for a transmission system beyond what is needed. That requires a transmission planning approach that effectively identifies transmission needs and ensures that the most efficient and cost effective options are selected.

With that in mind, the RSEs from WestConnect states submit the following comments on the transmission planning and project selection elements of the draft tariff language to be submitted to FERC by WestConnect’s enrolled transmission providers.

¹¹ *Id.* at P. 904.

¹² Order No. 1920-A at PP. 364-367.

¹³ Order No. 1920 at P. 994.

¹⁴ “West-Wide Transmission Study – 10-Year Horizon Report”, Western Transmission Expansion Coalition.

¹⁵ *Id.* at Page 24.

The States and WestConnect Should Have a More Formal Role in the Long-Term Transmission Planning Process

The draft tariff language circulated by WestConnect appears to envision a long-term transmission planning process operated by the enrolled transmission providers where the transmission providers individually would have final decision making authority. It does not appear that there is any meaningful role for WestConnect or any standing WestConnect committees, including those committees through which the states have participated pursuant to FERC Order No. 1000 transmission planning.

Long-term regional transmission planning will not be effective if each individual utility has both planning responsibilities and the ultimate decision making authority over every potential transmission project, even over projects that will not directly impact an individual utility. WestConnect, as the regional planning entity, is the only entity that can adequately and independently perform the functions required by FERC Order No. 1920.

Further, because FERC envisions a much greater role for the states during the Order No. 1920 transmission planning process, we believe WestConnect should establish a standing Committee or Subcommittee to facilitate discussion among the WestConnect states to jointly develop feedback and proposals for WestConnect to consider throughout each long-term planning cycle.

WestConnect Should Accelerate and Coordinate Planning Cycles

FERC Order No. 1920 requires regional transmission planners to complete their transmission planning processes (including project selection) within three years. WestConnect's draft tariff language instead outlines a process that could last up to five years. RSEs believe WestConnect should consider revising its proposed timeline in order to align more closely with Order No. 1920's three year planning process to ensure that decisions are made based on the freshest information available.

In addition, it is important to recognize that FERC-required transmission planning in the western interconnect involves three separate regions (WestConnect, NorthernGrid, and the California Independent System Operators), each of which will be developing its own regional transmission plans. RSEs believe there will be some efficiencies and benefits if the three planning regions were to coordinate the timing of their planning cycles and provide greater awareness as to how each planning region's efforts might impact the others.

Portfolio Planning Should Remain as an Option

Although Order No. 1920 does not require regional transmission planning entities to engage in portfolio planning, it does not prohibit that approach either. Several other regions have, under Order No. 1000, planned and selected projects at times on a portfolio basis, which can produce a broader swath of benefits in a planning region during each planning cycle. However, it is also important to recognize that portfolio planning adds complexities, especially when it comes to ensuring that costs are allocated in a manner that is roughly commensurate with benefits.

The draft tariff language provided by the WestConnect enrolled transmission providers does not specifically address portfolio transmission planning. In fact, WestConnect representatives told the RSEs that WestConnect intends not to engage in portfolio planning. RSEs encourage WestConnect to retain the flexibility to decide whether to opt for portfolio planning during each planning cycle.

States Should Have the Opportunity to Help the Transmission Providers Identify Projects That Address Needs Identified in the Long-Term Transmission Plan

The draft tariff language outlines how the transmission providers will consider proposed projects that could meet a need identified in the long-term regional transmission plan. First, the enrolled transmission providers will assess whether a replacement transmission project can be right-sized to address a transmission need identified in the long term plan. If there is no right-sized project sponsored by a transmission provider, the enrolled transmission providers can themselves propose new transmission projects to meet those needs. When the transmission providers' proposed projects are posted, they will also solicit proposals from other stakeholders, including other transmission developers.

Although all stakeholders, including any state, will have the opportunity (after the transmission providers have posted their own proposed solutions) to propose their own solutions to an identified transmission need, the RSEs believe the states should have a voice earlier in the process. More specifically, the enrolled transmission providers should coordinate with the states to develop a list of transmission projects and alternatives, such as Advanced Transmission Technologies, before the transmission providers post their preferred solutions. States have considerable experience and expertise that can add value to the process, and we have a strong interest in ensuring that transmission solutions contribute to both reliability and affordability.

The Project Selection Process Should Give Equal Weight to All Proposed Solutions Identified in the Transmission Planning Process

The process outlined in the draft tariff language notes that after transmission projects (and alternatives) aimed at addressing needs identified in the WestConnect long-term

transmission plan are proposed, the transmission providers will assess whether each project satisfies a variety of criteria, including a 1.25-1 benefit-cost ratio. Those projects that qualify are eligible to be selected by the enrolled transmission providers to be developed for the purposes of cost allocation. The draft tariff language appropriately suggests that the projects selected for the purposes of cost allocation are supposed to be those projects that are the most cost effective and efficient.

If a project that is selected was sponsored (either by an enrolled transmission provider or by a transmission developer that is not an enrolled transmission provider), the sponsor of the project will be able to build and own the project, except where a state right-of-first refusal law requires otherwise. If a selected project was proposed by a non-sponsoring party (a stakeholder that is neither an enrolled transmission provider or another transmission developer) a solicitation process will occur after which an enrolled transmission provider will select an entity to develop the project. The RSEs recognize that enrolled transmission providers should have the opportunity to compete with others to develop the most cost effective and efficient projects. However, we are concerned that if a transmission provider is put in charge of selecting the project developer (or selecting a project sponsored by a different transmission developer) there would be a conflict of interest to the extent the enrolled transmission owner also wants to develop that project. For instance, the incentive could exist for a transmission provider to refuse to qualify a competing developer to propose an alternative project. The decision needs to be made on the merits by an independent evaluator.

The Benefit-Cost Ratio Should be Appropriately Calculated

The draft tariff language suggests that, in order for a transmission project to be eligible for selection for the purpose of cost allocation, that project's benefit cost-ratio must meet or exceed a 1.25-1 for each transmission provider that is deemed to potentially benefit from the proposed project. RSEs don't object to ensuring that each transmission provider that would be assigned costs will actually benefit from the project. However, WestConnect and the enrolled transmission providers should clarify in the tariff language that the benefit-cost ratio will be calculated based on the actual costs each transmission provider is likely to be allocated and not based on the entire cost of the project. If the benefit-cost ratio for each transmission provider is calculated based on overall project costs, a transmission provider expected to receive only a small percentage of the benefits of a proposed transmission project would never be able to satisfy the 1.25 benefit-cost standard.

Voluntary-Funded Projects Should Receive Capacity Rights

The draft tariff notes that FERC Order No. 1920 contemplates the possibility that a generator or a state could seek to choose to fund a transmission project either in whole or in part. However, unlike a long-term transmission facility built by an enrolled transmission provider, neither the generator nor the state would be eligible for capacity rights on the new transmission line they funded. The RSEs urge the WestConnect enrolled transmission providers to provide generators transmission capacity rights in an amount consistent with the voluntary contributions they make to pay for a portion of the transmission project. Further, RSEs suggest that any capacity rights associated with voluntary payments made by a state be, at the discretion of the state, allocated in a manner consistent with how these rights would have been allocated but for the state's voluntary payment.

Tariff Language Should Contain the RSE-Drafted State Agreement Process

FERC Order No. 1920 requires the FERC-jurisdictional transmission providers in a planning region to include in their compliance plans an RSE-drafted State Agreement Process if requested to do so by the RSEs. The WestConnect RSEs provided the transmission providers with a State Agreement Process proposal, in tariff language, prior to the end of the State Engagement Period. The RSEs request that the tariff be revised to include the RSEs' State Agreement Process.

The Draft Tariff Language's Provision Exempting APS from Paying for a Transmission Project Under Certain Circumstances Requires Clarification

The enrolled transmission providers' draft tariff we have reviewed includes a provision that targets Arizona Public Service Company (APS). That provision prohibits APS from having to pay anything for a regionally planned and developed long term transmission project if APS "is not reasonably expected" to recover those costs in its wholesale or retail rates. RSEs would like to know whether any other transmission provider intends to include a similar provision in its compliance filing. Further, RSEs are interested in learning how the transmission providers contemplate being able to determine whether a transmission provider is reasonably expected to recover such costs (in either retail or wholesale rates) at the project selection stage of the process. Finally, if one or more transmission provider (whether it be APS or another utility) is excused from cost allocation, will the project's costs be allocated to other transmission providers in WestConnect?

Conclusion

The RSEs appreciate the time that WestConnect and the enrolled transmission providers have taken to meet with us as a group and, in some cases, individually during the State Engagement Period. Regional transmission planning and development has traditionally played a small role in facilitating infrastructure investments in the WestConnect region in

the past. However, as load projections in the region grow and an aging grid faces an increasing number of challenges, regional transmission planning could play a more significant role in Western grid development going forward. The RSEs look forward to working closely with WestConnect and the enrolled transmission providers to ensure that the outcomes from long-term transmission planning benefit our citizens and businesses.

Thank you for considering our views.

Sincerely,

/s/ Gabriel Aguilera
Gabriel Aguilera
Chair, New Mexico Public
Regulation Commission

/s/ Eric Blank
Eric Blank
Chairman, Colorado Public
Utilities Commission

/s/ Gary Hanson
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