## UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

Docket No. RM26-4-000

Interconnection of Large Loads to the Interstate Transmission System

COMMENTS OF THE NEBRASKA POWER REVIEW BOARD IN RESPONSE TO THE INVITATION TO SUBMIT COMMENTS IN THE ADVANCE NOTICE OF PROPOSED RULEMAKING

The Nebraska Power Review Board (NPRB) is the agency in the State of Nebraska with primary jurisdiction over electric suppliers operating in Nebraska. The NPRB is responsible for approving commercial electric generation facilities located in Nebraska, or those facilities outside Nebraska that will be owned by consumer-owned electric utilities headquartered in Nebraska. The NPRB also has jurisdiction to approve transmission and distribution facilities located outside an electric utility's retail service area. The Board appreciates the opportunity to submit these comments on the important topic of interconnection of large loads to the interstate transmission system.

The NPRB agrees with the Secretary of the U.S. Department of Energy and the Federal Energy Regulatory Commission (FERC) that dealing with the issues created by the need to interconnect large loads on a timely basis is one of critical importance to the electric industry. Nebraska is no exception to the impacts interconnecting large loads are having on the transmission system and resource adequacy. However, the NPRB believes that recent actions taken by the Southwest Power Pool (SPP) to address this issue mitigate the need for FERC's intervention.

The entire State of Nebraska is within the SPP's operating area. The SPP has employed a collaborative process through which its member utilities, state regulators, private developers, special interest groups and the independent board of directors held numerous meetings and developed a series of streamlined techniques to address the backlog in processing large interconnection requests. The term SPP adopted for the effort was High Impact Large Loads (HILL). In October 2025 SPP filed tariff revisions with FERC to approve the final process that had been developed. The filing is now pending

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before FERC in docket ER26-247. The HILL process was designed to expedite the interconnection of large loads taking firm transmission service when there is sufficient generation on the system today. SPP is further working to develop an expedited process for interconnection of Conditional Hill (CHILL) that are willing to take curtailable transmission service while transmission and generation is built. At least in the SPP operating area, the Secretary's requested reforms are unnecessary. The necessary steps to ensure the goal of timely, orderly and nondiscriminatory interconnection of new large loads<sup>1</sup> are already being taken, and are expected to be accomplished in the SPP's operating area without the need for FERC's intervention.

In the ANOPR the Secretary of Energy would have FERC assume jurisdiction over the interconnection of large loads to the transmission system. The Board is concerned that the ANOPR expands FERC's jurisdiction into an area that has historically been reserved to the states. States have jurisdiction over retail sales of electric energy. The provision of electric service directly to customers, including large loads, is inherently retail service. It is not clear to the NPRB if it is anticipated that the large loads targeted in the ANOPR would be expected to receive service directly from bulk transmission lines such as 345 kV, or if FERC's jurisdiction would extend to large loads receiving service directly from 115 kV or 34.5 kV transmission and subtransmission lines. Regardless of the voltage involved, these large loads would be retail customers receiving service from transmission or subtransmission lines. State agencies with jurisdiction over such retail electric service have a greater understanding of the particular situation in which utilities in that state operate. If FERC were to assume jurisdiction over interconnection of large loads without the detailed knowledge of the local transmission, distribution, and generation facility situation, it could create strains on the local transmission system. If generation in the area is insufficient to handle the new large loads, rapid interconnection of those loads without the necessary studies conducted by a Regional Transmission Organization (RTO) such as the SPP could threaten reliability in the local area. The NPRB is also concerned that FERC jurisdiction over the area could potentially preempt state action to ensure that the costs directly associated with needed upgrades in the local transmission system are paid by the entity installing the large load, and those costs are not absorbed by the local ratepayers. In Nebraska's case, the electric consumers in the service area of the utility holding the retail service area rights to the

<sup>&</sup>lt;sup>1</sup> Secretary of Energy transmittal letter, page 1.

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location where a large load will be located could potentially end up absorbing the costs of upgrades needed to accommodate the new large load. Local electric consumers should not be required to subsidize the network upgrades and interconnection costs of new large loads. Although the NPRB agrees with the Secretary of Energy that standardized study deposits, readiness requirements, and withdrawal penalties are needed when dealing with the interconnection of proposed large loads<sup>2</sup>, the NPRB believes these solutions are best addressed at the local level, not through a standardized set of rules for all types of loads in all areas of the country. The NPRB is also concerned that FERC, by exerting jurisdiction over interconnection of large retail loads, may preempt state jurisdiction in places such as Nebraska that have certified retail electric service territories. FERC should make clear that such a result is not intended.

The NPRB believes that FERC should not become involved in the type of local decisions necessary for the interconnection of large loads. In areas with an RTO that have already developed adequate procedures, the NPRB encourages FERC to adopt a collaborative approach where FERC, state commissions and transmission providers work together to develop solutions. Remedies other than exerting jurisdiction over the issue should be explored to encourage or compel recalcitrant commissions and transmission providers to implement procedures for the interconnection of large loads that substantially meet the goals stated in the ANOPR. As noted, SPP has been proactive in the development of such procedures and should not have to develop an entirely new process designed as a one-size-fits-all approach that may provide only marginal differences from what SPP has developed and already filed with FERC. Put simply, FERC can achieve the objectives sought by the Secretary of Energy in the ANOPR without intruding into the states' area of retail jurisdiction.

Finally, the NPRB is concerned that the 20 megawatt threshold in the ANOPR is too low. Such a small number drastically increases the number of entities that would be covered by the proposed rule. Further, many loads between 20 and 50 megawatts are not directly connected to the transmission system but rather are connected to distribution and sub-transmission system facilities that are not subject to FERC jurisdiction. Although the Secretary of Energy indicated he selected this number to be

<sup>&</sup>lt;sup>2</sup> ANOPR page 11, paragraph 21.

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consistent with FERC's definition of large generation resources<sup>3</sup>, generation and loads obviously have very different attributes. These facts warrant the selection of a different minimum size for loads. By increasing the threshold in any final rule to 50 megawatts the truly large loads that have the greatest impact on the transmission system would be covered. If a policy is needed for the far more numerous smaller loads that can be addressed by the applicable RTO and state commission. The NPRB does not believe FERC needs to deal with the interconnection of loads as small as 20 megawatts. In other words, for loads as small as 20 megawatts, one size does not fit all.

For the Board,

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Chairman

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<sup>&</sup>lt;sup>3</sup> Secretary of Energy transmittal letter, page 2, footnote 1 and ANOPR, pages 10-11, paragraph 19.