Organization of MISO States (OMS)
Transmission Planning Work Group
Response to LLWG Feedback Request
Submitted on October 15, 2026

During the October 8, 2026 meeting of the Large Load Working Group (LLWG), MISO provided additional details on the anticipated structure of a pro forma cost recovery agreement that will mitigate cost shifting concerns raised by FERC in the show cause order. Stakeholders were invited to submit feedback on the presentation.

https://www.misoenergy.org/engage/stakeholder-feedback/2026/llwg-cost-shifting-risk-pro-forma-cost-recovery-agreement-llwg-2026-8-20261008/

The OMS Transmission Planning Work Group (OMS TPWG) provides feedback in response to MISO's cost shifting risk presentation. **This feedback is from an OMS work group and does not represent a position of the OMS Board of Directors.**

The OMS TPWG appreciates the additional details MISO presented at the October 8 meeting of the LLWG, including the role of the cost-recovery agreement, financial security mechanisms, and the cost transparency dashboard. We are encouraged that the cost-recovery agreements and the cost transparency dashboard may provide enough detailed information for state regulators to evaluate whether all wholesale costs attributable to large loads are borne by those loads and, if not, better enable state regulators to allocate those costs through retail rates. We also support a strong financial security requirement that is 'large enough to secure the Total Required Revenue Commitment,' as MISO has proposed, and see a high collateral requirement as an essential piece of any cost allocation proposal to provide protection against bankruptcy, ramping delays, etc.

The OMS TPWG requests that MISO change its proposed calculation of the Total Required Revenue Commitment (TRRC) to the sum of: 1.) the incremental revenue requirement of the network upgrades; and 2.) the NITS payment for the network without the upgrades, as shown in Figure 1. Note, the NITS payment for the network without the upgrades (2) can be recovered through the existing Schedule 9 process but a provision for such recovery should be included in the Pro Forma. That disaggregation of the incremental and embedded costs clearly separates new network upgrades from use of the existing system, preventing double recovery. This is consistent with the OMS TPWG's feedback submitted on October 1, 2026 (available here).

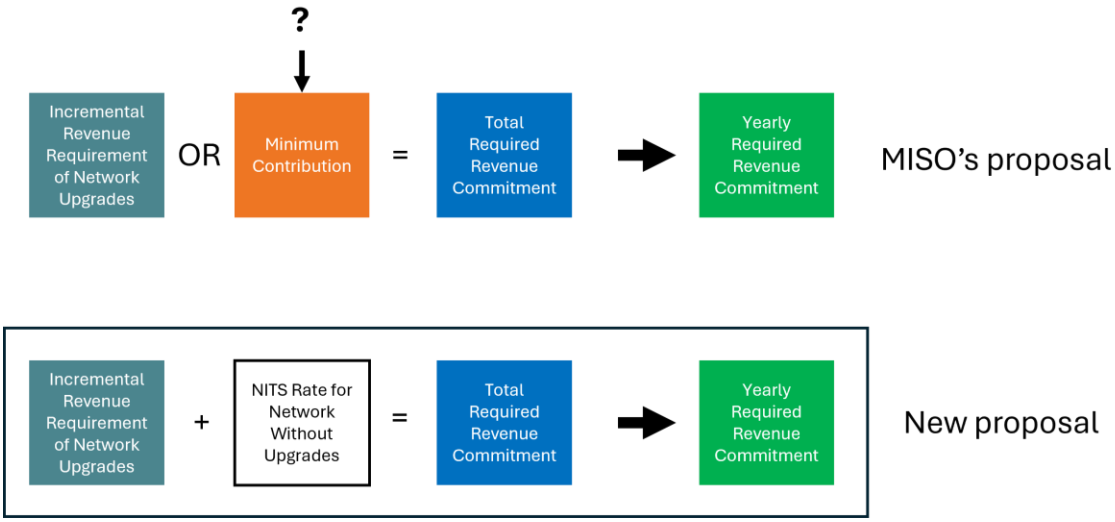

Figure 1: New proposal for calculation of Total Required Revenue Commitment.

The OMS TPWG would also like additional information about several cost-shifting issues that have not yet been fully addressed in MISO's presentations. These include:

1. How will "carved-out" transmission facilities be identified? Will they be selected by the transmission owner or by MISO?
2. How will any supplemental payment be applied to a transmission owner's annual transmission revenue requirement (ATRR)? Would that supplemental payment lower the large load's Schedule 9 rates?
3. How will the transmission study process (presumably Large Load Project Review) attribute network upgrades to specific large loads? Will the transmission owner or MISO make the determination?