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CLIENT ALERT

FERC Directs Grid Operators to Reform Procedures for Large Loads Connecting to the Bulk Transmission System

June 30, 2026

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On June 18, 2026, the Federal Energy Regulatory Commission ("FERC") issued six show cause orders targeting the interconnection of "large loads," data centers, advanced industrial facilities, and other end-users exceeding 50 MW, to the U.S. bulk electric transmission grid at a voltage level greater than 69 kV.[1] These orders respond to surging electricity demand driven by data centers and follow the Department of Energy's ("DOE") directive to consider an Advance Notice of Proposed Rulemaking ("ANOPR") to accelerate interconnection and transmission service for large loads.[2]

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1 *Ca. Indep. Sys. Operator*, 195 FERC ¶ 61,214 (2026) (CAISO Show Cause Order); *ISO New England Inc*, 195 FERC ¶ 61,215 (2026) (ISO-NE Show Cause Order); *Midcontinent Indep. Sys. Operator, Inc.*, 195 FERC ¶ 61,212 (2026) (MISO Show Cause Order); *N.Y. Indep. Sys. Operator, Inc.*, 195 FERC ¶ 61,216 (2026) (NYISO Show Cause Order); *PJM Interconnection, L.L.C.*, 195 FERC ¶ 61,211 (2026) (PJM Show Cause Order); *Sw. Power Pool, Inc.*, 195 FERC ¶ 61,213 (2026) (SPP Show Cause Order).

2 *Interconnection of Large Loads to the Interstate Transmission System*, Advance Notice of Proposed Rulemaking, Docket No. RM26-4-000 (filed Oct. 23, 2025) ("ANOPR"); Letter from Chris Wright, Sec'y, U.S. Dep't of Energy (Oct. 23, 2025), (https://www.energy.gov/sites/default/files/2025-10/403%20Large%20Loads%20Letter.pdf).

The orders direct all six regional transmission organizations ("RTOs") under FERC's jurisdiction, CAISO, ISO-NE, MISO, NYISO, PJM, and SPP,[3] and their member transmission owners to: (1) within 60 days of the order, justify or revise their existing large load interconnection tariff provisions; and (2) within 30 days of the order, submit informational reports on generation adequacy for existing and new large loads, proposals currently under consideration in their stakeholder processes, and plans to protect existing commercial arrangements. Together, these regions and their members serve nearly two-thirds of the country's electricity load. The proceedings initiated by the orders present a significant opportunity for stakeholders, including large load developers, transmission owners, and other market participants, to engage directly with their respective RTOs and shape region-specific reforms.

FERC grounds its jurisdiction over large load interconnections in its existing authority under the Federal Power Act ("FPA") over the interstate transmission grid and wholesale electricity sales,[4] as well as precedent exercising jurisdiction over certain transmission system interconnections as an element of transmission service. Notably, by issuing individualized orders limited to grid operators already subject to FERC jurisdiction—rather than initiating a broad rulemaking—FERC strategically enhances the legal durability of its orders against potential state-level challenges while preserving regional flexibility.

Long term, these orders will likely shorten the multi-year interconnection queue backlogs in the affected regions. For data centers and other large loads, the immediate impact will likely be limited, but the orders should ultimately yield standardized interconnection processes per region—reducing both interconnection risk and cost uncertainty.

I. DOE Directed FERC to Initiate a New Rulemaking to Accelerate Large Load Interconnections.

Late last year, Secretary Wright directed FERC to consider an ANOPR on large load interconnection reform. The ANOPR laid out FERC's jurisdictional authority, guiding principles for standardizing large load interconnection rules, and supported allowing customers to file joint load-and-generation requests directly with FERC. However, it left detailed tariff terms for a later expected FERC rulemaking. Many anticipated a FERC notice of proposed rulemaking ("NOPR") prescribing rules for connecting large loads to the transmission system.

II. The Show Cause Orders Drive Flexible Reform and Establish a Large Load Framework

A. FERC's Large Load Framework

Rather than initiating the anticipated rulemaking process with prescribed pro forma tariff language, FERC issued six show cause orders under FPA section 206, one for each RTO. This approach marks a significant departure from the Commission's historical reliance on broad rulemakings, such as Order No. 1000 for transmission planning,[5] and

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[3] Regional transmission organizations and independent system operators ("ISOs") serve essentially the same functions, but they differ in degree of tightness and their geography (RTOs are multi-state by definition). This Client Alert refers to RTOs and ISOs collectively as RTOs.

[4] 16 U.S.C. §§ 824d, 824e.

[5] *Transmission Planning & Cost Allocation by Transmission Owning & Operating Pub. Utils.*, 136 FERC ¶ 61,051 (2011) (Order No. 1000), *order on reh'g*, Order No. 1000-A, 139 FERC ¶ 61,132, *order on reh'g*, Order No. 1000-B, 141 FERC ¶ 61,044 (2012) (collectively, "Order No. 1000"), resulting from a NOPR initiated under Docket No. RM10-23-000.

Order No. 2023 for generator interconnections,[6] which culminated in final rules and transmission owners submitting "compliance filings" consisting of tariff revisions adopting FERC's prescribed pro forma language in those final rules, as well as subsequent litigation.[7] By contrast, the show cause orders more closely resemble FERC's formula rate protocol proceedings, which have proven effective at prompting the development of just and reasonable tariff terms on an entity-by-entity basis while limiting litigation exposure.

Although the orders do not impose a single national tariff, they provide explicit guidance on what FERC expects from transmission providers' tariff filings. Specifically, they outline the types of processes and suggest provisions to facilitate interconnection and transmission service to large load customers while maintaining reliability and protecting ratepayers. The orders shift the burden to each RTO to either (1) justify its existing tariff provisions or (2) propose specific tariff revisions for large and co-located loads within FERC's framework:

1. Define and establish efficient transmission service application, study processes, and operational requirements for large loads, including consideration of alternative transmission technologies

Existing tariffs generally have not distinguished between traditional gradual load growth and accelerated incremental load growth due to large loads, despite their different operational characteristics and grid impacts. In each RTO tariff, the definition of "Eligible Customer" determines who may take transmission service. Although each RTO's definition varies, Eligible Customers are generally wholesale market participants—load-serving entities responsible for procuring transmission service to and delivering power to end-use consumers including large loads. These are the "transmission customers" to "transmission providers," which include RTOs and their respective members.

The orders treat "Eligible Customers taking transmission service on behalf of large load" and "large load" as distinct customer classes, each requiring specific tariff treatment. Departing from the ANOPR's 20 MW threshold, the orders define large load as a new commercial or industrial customer with peak demand of 50 MW or greater, interconnected above 69 kV, and not part of a co-location arrangement.[8] An Eligible Customer may be the large load itself directly requesting transmission service or a wholesale transmission customer reselling energy to serve a load portfolio that includes large load.[9] The orders' 50 MW threshold targets data centers, advanced manufacturing, and similar energy-intensive facilities without inadvertently excluding smaller projects in development.

FERC encourages RTOs to establish clear procedures for Eligible Customers seeking transmission service on behalf of large loads. The orders set aggressive study timelines (60–90 days), rolling applications, readiness

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6 *Improvements to Generator Interconnection Procedures and Agreements*, 184 FERC ¶ 61,054 (2023) (Order No. 2023), *order on reh'g*, Order No. 2023-A, 186 FERC ¶ 61,199 (2024) (collectively, "Order No. 2023"), resulting from a NOPR initiated under Docket No. RM22-14-000.

7 *See, e.g.*, *S.C. Pub. Serv. Auth. v. FERC*, 762 F.3d 41 (D.C. Cir. 2014) (upholding Order No. 1000 and FERC's assertion of authority over transmission planning and cost allocation).

8 The orders' definition of "large load" adopts SPP's definition of High Impact Large Load. SPP, Open Access Transmission Tariff, Sixth Revised Vol. No. 1, pt. I, § 1 (Definitions H) (1.0.0) (emphasis added).

9 *See, e.g.*, ISO-NE Show Cause Order, 195 FERC ¶ 61,215 at P 39; NYISO Show Cause Order, 195 FERC ¶ 61,216 at P 45.

milestones, escalating financial commitments to deter speculative requests,[10] and evaluation of alternative transmission technologies (e.g., grid-enhancing technologies and advanced conductors) to reduce costs and accelerate interconnection.

2. Preventing cost shifting and requiring transparency into transmission costs

To prevent cost shifting and ensure large load developers bear appropriate costs, the orders push RTOs to establish additional transparency measures. including posting Network Upgrade cost data on their websites and establishing pro forma "Cost Recovery Agreements" among the RTO, transmission owner, and Eligible Customer seeking transmission service on behalf of large load.

The proposed pro forma Cost Recovery Agreements would require Eligible Customers serving large loads to make minimum financial commitments toward necessary upgrades—protecting other transmission customers from stranded costs if the large load does not materialize or takes less service than projected. This shifts increased financial risk to large load customers seeking to interconnect within the RTO's footprint.

3. Accommodating co-location and behind-the-meter generation arrangements

For regions other than PJM, the orders require RTOs to define the rates, terms, and conditions for co-location arrangements (where load connects to generation behind the point of interconnection) and behind-the-meter generation.[11] These provisions will clarify when transmission service is required, how withdrawals are measured, which operational limits apply, and how co-located load service differs from generation interconnection service. The orders define **co-located load** as end-use customer load physically connected to an existing or planned generating facility on the customer's side of the point of interconnection.[12]

4. New transmission service products tailored for flexible large loads

The orders encourage new firm and non-firm transmission service options for Eligible Customers serving co-located loads, loads with behind-the-meter generation, and flexible large loads willing to curtail grid usage under certain conditions. Building on prior directives to PJM to adopt contract demand transmission service for co-located load, the orders encourage RTOs to provide products that reflect the extent to which large loads rely on the grid and their

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10 The listed reforms regarding study processes have been prescribed in every RTO's order, except SPP's. FERC recently approved revisions to SPP's Tariff that established an enhanced study process for the provision of transmission service to Eligible Customers on behalf of High Impact Large Loads ("HILLs") and help to ensure that integration of HILLs onto the SPP-operated transmission system does not impair reliability. *Sw. Power Pool, Inc*., 194 FERC ¶ 61,031 (2026) (SPP HILL Order). However, FERC preliminarily found that SPP's Tariff appears to be unjust and unreasonable because it lacks (1) clear and consistent provisions requiring the evaluation of alternative transmission technologies, and (2) pro forma provisions in a transmission service agreement between SPP and the transmission customer taking transmission service on behalf of the HILL to memorialize ongoing operational requirements in the Tariff. SPP Show Cause Order at P 35.

11 Reforms on co-location arrangements are prescribed in every RTO's order, except PJM's. Prior to the issuance of the show cause orders, PJM already submitted proposed tariff revisions that apply to co-location arrangements, so their provisions are subject to a separate concurrent proceeding. FERC will issue a determination on PJM's proposed co-location provisions in that separate proceeding. *See, e.g., PJM Interconnection, L.L.C.*, 190 FERC ¶ 61,115 at P 2 (2025) (PJM Co-Location Show Cause Order); *PJM Interconnection, L.L.C.,* 193 FERC ¶ 61,217 (2025) (PJM Co-Location Order), *order on reh'g*, 195 FERC ¶ 61,209 (2026) (PJM Co-Location Rehearing Order).

12 The orders' definition of "co-located load" adopts PJM's definition. PJM Co-Location Order at P 164 (emphasis added).

ability to curtail demand. The orders also encourage interim transmission service that would let large loads take service on an as-available basis while network upgrades are completed.

5. "Bring your own new generation": generator interconnection and study process for generating facilities that serve electrically proximate large and co-located loads

The orders direct RTOs to consider joint load-and-generation study processes, modeled on SPP's High Impact Large Load Generation Assessment ("HILLGA") framework, allowing generators to inject electricity up to the hourly forecast of an associated large load before completing the standard interconnection process. The orders also contemplate procedures for co-located load and generation that agree to limit net injections to the grid. By matching generator output to a proximate large load's demand, grid impacts are minimized, reducing the need for costly Network Upgrades.

6. Generation Resource Adequacy to Support Large Load Interconnection

FERC also raised concerns that rapid large load growth may outpace generation development, threatening reliability, and increasing costs. Each RTO must file an informational report within 30 days detailing stakeholder proposals to address resource adequacy for new large loads, including (1) key milestones; (2) ongoing stakeholder processes to accelerate generation additions; and (3) a schedule for those initiatives.

B. Regional Differences Acknowledged

Rather than imposing a one-size-fits-all solution, the orders provide regional flexibility, recognizing progress in SPP and PJM since October 2025,[13] and acknowledging ongoing stakeholder engagement in other RTOs. The orders allow each RTO discretion to further define "large load," tailor operational requirements, and accommodate regional differences on cost transparency, study processes, and network upgrade designations. While stakeholders broadly support clear and consistent tariff provisions for regulatory certainty, concerns and existing stakeholder engagement timelines vary by region. For ease of comparison, please see the table detailing the differences in the show cause orders: https://communications.willkie.com/150/3472/uploads/regional-differences-acknowledged-in-fercs-show-cause-orders-table-6.29.2026.pdf

- CAISO does not offer traditional network and point-to-point transmission services or firm long-term transmission reservations and does not administer a formal application process for transmission service. CAISO's transmission owners, not CAISO itself, manage load interconnection using their own study and interconnection requirements. While the order makes allowances for CAISO's unique market framework, it nevertheless identifies substantially similar deficiencies in CAISO's Tariff and participating transmission owner tariffs and directs CAISO to address them.

[13] *Southwest Power Pool, Inc.*, Docket No. ER26-247-000, Tariff Revisions to Add the High Impact Large Load Processes and High Impact Large Load Generation Assessment (filed Oct. 24, 2025); *see also Sw. Power Pool, Inc.*, 194 FERC ¶ 61,031 (2026) (order accepting tariff revisions subject to condition); *See also* PJM Co-Location Orders.

- ISO-NE has not established express provisions for large load interconnection and transmission service, and FERC has less urgent concern with large load and co-location arrangements in New England.[14] Nevertheless, FERC remains concerned that ISO-NE's tariff appears unjust and unreasonable without such provisions.

- MISO has experienced the fastest data center growth of any region, with data center capacity increasing at a 43% compound annual growth rate since 2020,[15] but acknowledges that its existing tariff does not "provide a consistent or transparent framework to evaluate" large loads. While MISO has stakeholder initiatives focused on large and co-located loads and is considering tariff revisions,[16] it has not yet set filing dates.

- NYISO has not proposed tariff revisions to address large and co-located load challenges, despite recognizing the issues in recent stakeholder proceedings (including Technical Bulletin No. 266, designed to streamline the load interconnection system impact study process). NYISO expects to file tariff revisions by December 2026 to address bulk-system reliability concerns while improving the efficiency and predictability of the large load interconnection process.[17] NYISO tariff revisions related to co-located load are not expected until 2027.[18]

- PJM has filed tariff provisions on co-location arrangements in response to prior FERC directives; those proposed provisions are addressed in a separate concurrent proceeding. PJM's existing tariff still lacks specific provisions for large load interconnection and transmission service. Recently, the PJM Board issued a decisional letter under its Critical Issues Fast Path process detailing initiatives to implement large load provisions consistent with its show cause order.[19]

- SPP is the furthest along among the RTOs, having already established its High Impact Large Load and HILLGA tariff provisions for studying and providing transmission service to large loads.[20] Because these reforms already address several elements of FERC's framework, SPP's order identified far fewer deficiencies in SPP's practices than in the concurrent show cause orders issued to other RTOs. However, SPP still lacks clear provisions for co-location arrangements; FERC has encouraged SPP to explain how its HILLGA process may address or be adapted to accommodate them.[21]

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14 *See, e.g.*, ISO-NE Show Cause Order at P 8-9. New England has not experienced data center proposals to the extent seen in other regions of the country to date.

15 MISO Show Cause Order at P 8.

16 MISO Show Cause Order at PP 31-39.

17 NYISO Show Cause Order at P 35.

18 NYISO Show Cause Order at P 36.

19 PJM Show Cause Order at PP 31-33.

20 SPP Show Cause Order at PP 35, 43.

21 SPP Show Cause Order at P 76.

III. FERC Draws the Jurisdictional Line on Large Load Interconnections

A. The Historical Federal and State Jurisdictional Divide

The current regulatory structure for large load interconnection rests on "cooperative federalism"—a jurisdictional compromise that may no longer fit the energy landscape. Under FPA Section 201(b)(1), FERC regulates transmission service and wholesale sales in interstate commerce,[22] exercising jurisdiction over generator interconnections to the grid.[23] States regulate retail sales, local distribution, utility service obligations, and generation siting. Loads such as manufacturers, refineries, data centers, have long been treated as retail customers, subject primarily to state oversight.

This structure assumed predictable load growth, centralized planning, and limited direct interaction between large customers and generators. Those assumptions have collapsed. Large load customers now routinely contract directly with generators through PPAs or co-location arrangements. Data centers have driven load growth that far outstrips what current transmission interconnection and planning processes were designed to accommodate.

Secretary Wright's directive challenged this regulatory divide, asserting that large load interconnections to the transmission system fall under FERC's authority. The ANOPR justified FERC's jurisdiction on four grounds: (1) large load interconnections, like generator interconnections, are a "critical component of open access transmission service"[24] requiring consistent terms; (2) FERC has FPA jurisdiction over wholesale rates[25] that large load interconnections directly affect; (3) FERC's regulation of large load interconnection and transmission service does not encroach on state authority over retail sales or siting;[26] and (4) large loads requesting interconnection are seeking FERC-jurisdictional transmission service.

B. The Show Cause Orders Assert FERC's Jurisdiction Over Large Load Interconnection

Building on the ANOPR, the show cause orders deliver FERC's clearest jurisdictional statement yet on large load interconnections and the provision of transmission service. Through the show cause orders, FERC asserts exclusive authority over:

(1) Rates, terms, and conditions of interstate transmission service to Eligible Customers serving large loads;

(2) Study processes for evaluating transmission service requests to Eligible Customers on behalf of large and co-located loads; and

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22 16 U.S.C. § 824(b)(1).

23 *See, e.g.*, *Standardization of Generator Interconnection Agreements and Procedures*, 104 FERC ¶ 61,103 (2003) (Order No. 2003); *Improvements to Generator Interconnection Procedures and Agreements*, 184 FERC ¶ 61,054 (2023) (Order No. 2023).

24 Order No. 2003 at P 9 (citing *Tenn. Power Co.*, 90 FERC ¶ 61,238 (2000)); *see also* Order No. 2023 at P 11.

25 16 U.S.C. § 824d.

26 *See FERC v. Elec. Power Supply Ass 'n*, 577 U.S. 260, 278 (2016).

(3) Network upgrades and associated costs to provide transmission service to Eligible Customers on behalf of large loads, which directly affect wholesale transmission rates.

1. Transmission Service to Eligible Customers on Behalf of Large Loads

FERC grounds its authority in the FPA's grant of "jurisdiction over the wholesale sale and transmission of electricity in interstate commerce, including all facilities used for such sale and transmission."[27] The Commission must ensure that transmission rates, charges, and practices affecting transmission service are just, reasonable, and non-discriminatory. Flexible large loads raise transmission service issues because they affect how the interstate transmission system is used and resulting transmission service rates.[28]

FERC's reasoning is straightforward: like generator interconnections, large load interconnections and the provision of transmission service to large loads affect reliability and transmission system costs.[29] When large loads interconnect to the bulk transmission system and receive FERC-jurisdictional service, FERC oversight applies. Furthermore, the establishment of new transmission service offerings and pricing options to accommodate flexible loads are transmission service issues, and therefore squarely within FERC's purview.[30]

2. Study Processes to Evaluate Transmission Service Requests from Interconnection Customers Serving Electrically Proximate Large Loads and Co-Located Loads

The process for studying whether transmission service can be provided to a large load directly affects jurisdictional transmission service because it determines whether the system can serve the load reliably and what network upgrades are needed.[31] Because transmission service study processes determine what Network Upgrades are needed to provide transmission service to Eligible Customers on behalf of large loads, the costs of which are included in FERC-jurisdictional transmission rates, FERC asserts exclusive authority to ensure tariffs include sufficiently clear, consistent provisions for studying transmission service requests from Eligible Customers serving large loads.

These study processes also consider whether the Eligible Customer has "brought its own new generation." FERC's other jurisdictional hook for imposing study processes is generator interconnection. Under the FPA, FERC has authority over wholesale electricity sales, transmission in interstate commerce, and the facilities used for that transmission, which has extended to the procedures and agreements that govern how generating facilities interconnect to jurisdictional transmission facilities.[32]

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27 *See, e.g.*, NYISO Show Cause Order at PP 50-51 (*citing* 16 U.S.C. § 824(b)(1)).

28 *Id.*; PJM Co-Location Order at P 199.

29 *See, e.g.*, NYISO Show Cause Order at PP 50-51. *See also* Order No. 2003; Order No. 2023.

30 NYISO Show Cause Order at PP 50-51; 16 U.S.C. §§ 824d, 824e.

31 *See, e.g.*, NYISO Show Cause Order at PP 50-51.

32 Order No. 2003; Order No. 2023.

FERC's jurisdiction does not vanish because the generator is being used to serve a nearby or a co-located load. In the PJM Co-Location Order, FERC made clear that a generator's interconnection to transmission remains within its jurisdiction even with co-located load behind the point of interconnection. The same logic applies here: if a generator interconnects to the transmission system, FERC retains jurisdiction over that interconnection regardless of whether it serves a nearby large load.

FERC also cites jurisdiction over the study process for transmission service to Eligible Customers on behalf of large loads and unbundled retail transmission service to end-use large load customers,[33] where pursuant to state law or a public utility's voluntary offer of such service, the large load is an Eligible Customer under applicable tariffs.

3. Network Upgrades and Associated Costs

If a large load triggers transmission upgrades, FERC wants those costs assigned transparently and not unreasonably socialized among other transmission customers who did not cause them. As FERC puts it, "the Commission has a duty to address the risk of cost shifting among transmission customers that may result in unjust and unreasonable transmission rates." [34]

Network upgrade costs incurred as a result of a transmission service request to serve large load feed directly into FERC-jurisdictional transmission rates. FERC's jurisdictional hook here is its responsibility to ensure just and reasonable rates,[35] which requires addressing "(1) the process transmission providers and/or transmission owners use to evaluate the facilities needed, and the associated costs, for the provision of transmission service to Eligible Customers on behalf of large loads and (2) speculative transmission service requests by Eligible Customers on behalf of large loads that could result in unjust and unreasonable transmission rates."[36]

C. State-Retained Authority

FERC emphasizes that the orders do not expand federal jurisdiction or intrude on state authority. FERC also recognizes that not every part of a co-location arrangement is federally regulated.[37] State commissions retain their FPA-granted authority over: (1) retail sales terms, including retail cost allocation; (2) which entities may serve retail customers; and (3) siting and construction associated with the large load projects.

The bottom line: FERC asserts that its role in large load and co-located load interconnection stays within its established purview.

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33 New York v. FERC, 535 U.S. 1, 17, 19-20 (2002) (upholding the Commission's exercise of jurisdiction over unbundled retail transmission service).

34 *See, e.g.*, MISO Show Cause Order at P 68.

35 *See, e.g.*, NYISO Show Cause Order at PP 50-51.

36 *See, e.g.*, MISO Show Cause Order at PP 68-70.

37 MISO Show Cause Order at P 93.

IV. Timeline for Stakeholder Engagement

Each RTO must either justify its existing tariff or file proposed revisions within 60 days and submit a generation adequacy report within 30 days of the order. Expedited stakeholder engagement schedules are established under each RTO's individual order docket.

The parallel proceedings are listed by RTO and docket number as follows:

(1) CAISO: EL26-71-000

(2) ISO-NE: EL26-72-000

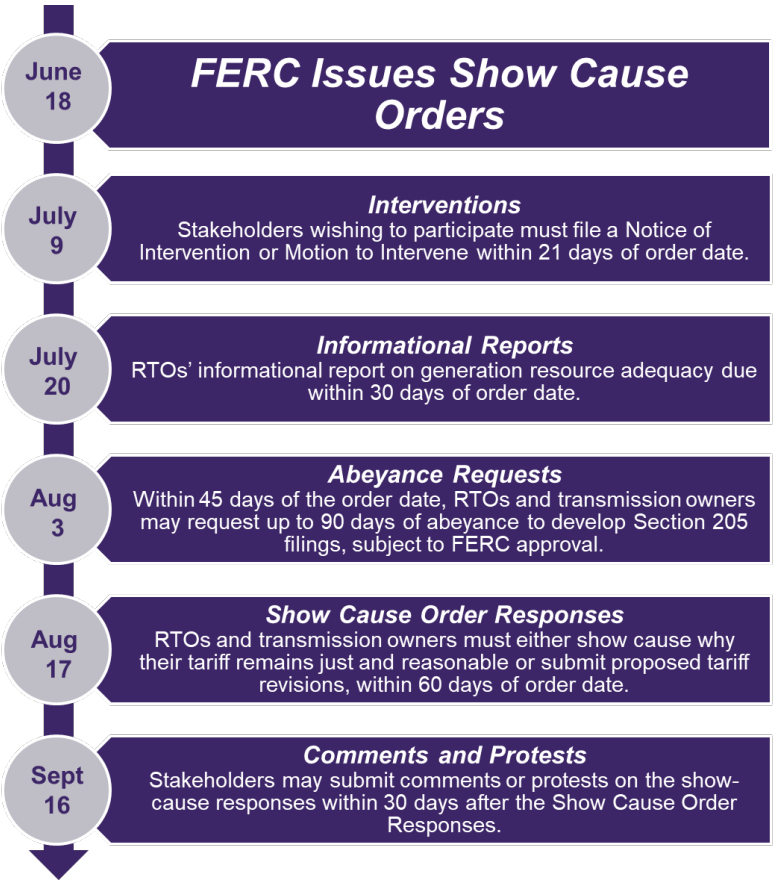
(3) MISO: EL26-70-000

(4) NYISO: EL26-69-000

(5) PJM: EL26-67-000

(6) SPP: EL26-68-000

RTOs and their members may seek abeyance within 45 days, and stakeholders may respond to the regional filings within 30 days. FERC also left the DOE's ANOPR docket (Docket No. RM26-4-000) open for further potential action and encouraged utilities outside RTO regions to file proposed tariff provisions addressing large-load issues.



V. Implications for Utilities, Grid Operators, and Large Load Interconnection Customers

These orders represent FERC's most comprehensive action to date on large load interconnections and transmission service, impacting the two-thirds of the country within RTO footprints.

Utility and Grid Operator Implementation. RTOs and their member transmission owners face the most immediate impact, as they must respond to the orders and file informational reports under tight deadlines. Some RTOs may seek abeyance given the aggressive timeline. Others have already initiated stakeholder and drafting processes to revise their tariffs and may have filing timelines based on stakeholder participation that predate the show cause orders.

Consistency Across RTOs. The degree of uniformity in implementing these reforms will depend largely on whether FERC accepts region-specific deviations. Timing also matters: guidance or findings issued in one RTO's proceeding could conflict with or supersede tariff revisions proposed by another RTO in a parallel stakeholder process or pending before FERC.

Practical Impacts. The orders' emphasis on cost-shifting protections (such as pro forma cost recovery agreements), operational requirements (telemetry, remote disconnect capability, ramp rate limits), and new transmission service offerings could significantly reshape how large loads connect to and pay for use of the grid and the amount of risk shifted to them in the interconnection process. Nevertheless, the orders do direct the RTOs to explain how they will protect existing commercial arrangements in light of any tariff revisions proposed.

What the Orders Do—and Don't—Solve. These orders do not immediately or prescriptively solve the interconnection backlog, lack of standardization, or rising electricity costs. They do not create uniform nationwide rules. But they provide a path to regulatory clarity, and a preview of the tariff provisions RTOs will propose. By shifting responsibility to RTOs and their transmission owner members under an outlined framework, the orders will encourage consistency within regions, and could promote consistency across regions even as each RTO tailors provisions to its individual operational realities.

When Large Loads Will Feel the Impact. Large load customers will not experience immediate effects until their RTO or non-RTO transmission provider issues tariff revisions that change transmission service terms, impose new interconnection requirements such as cost recovery agreements, or assign new study or upgrade costs. Stakeholders across the energy industry, data center developers, utilities, transmission owners, generation developers, and state regulators should monitor developments in each region and consider participating in the proceedings.

Potential for Broader Action. FERC did not foreclose future nationwide action applicable to all transmission providers, including those outside RTO regions. The Commission signaled that it could take additional steps to facilitate large load interconnection if warranted.

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