

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Southwest Power Pool

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Docket No. ER25-2296-000

**COMMENTS OF THE
CLEAN ENERGY BUYERS ASSOCIATION**

Pursuant to Rule 211 of the Federal Energy Regulatory Commission’s (“Commission”) Rules of Practice and Procedure, 18 C.F.R. § 385.211,¹ the Clean Energy Buyer Association (“CEBA”) hereby files this Motion to Intervene and submit the following comments on the filing by the Southwest Power Pool (“SPP”) to establish the Expedited Resource Adequacy Study (ERAS) process.

On May 22, 2025, SPP filed a proposal to establish the ERAS process to provide a framework for a one-time accelerated study of generation projects that are needed to address urgent resource adequacy and reliability needs in the near term.

CEBA is a business trade association that activates energy buyers and partners to advance low-cost, reliable, carbon emissions-free global electricity systems. CEBA has over 400 members, collectively with more than \$20 trillion in market capital, including one-fifth of the Fortune 500. These members comprise a diversity of commercial, industrial and institutional energy customers, including large commercial customers, data centers, and manufacturing customers representing some of the largest sources of load growth in this country. Recent reports

¹ 18 C.F.R. § 385.211 (2025).

show that total US electricity demand will grow by 35-50% by 2040, requiring more than 1,000 GW of new generation including renewables, natural gas and energy storage.² With respect to clean energy demand specifically, a recent study by Wood Mackenzie also found that Fortune 1000 companies need an additional 275 GW of carbon emissions free power by 2035.³ That study found the Fortune 1000 could be expected to procure 15.3 GW of new clean energy projects in SPP to meet their corporate clean energy commitments.⁴ This creates an urgent need for faster interconnection of new resources to the grid. Failure to meet the moment has widespread consequences of stifling our nation's economic growth and competitiveness, and risks increasing costs to consumers. We support the intent behind ERAS and recognize that increasing load growth within SPP's footprint has introduced new challenges to balancing supply and demand, particularly given SPP's extensive queue backlog. As such, the urgency of securing adequate capacity in the region is apparent, and we appreciate SPP's efforts to explore a *temporary* solution for urgent resource adequacy needs.

However, to meet the needs of new load cost effectively, CEBA's energy buyers must have timely access to diverse, competitive, and affordable generation resources. CEBA is concerned that the SPP ERAS proposal grants Load Responsible Entities (LREs), most of which are vertically integrated utilities, the unilateral ability to select which resources are submitted to SPP for ERAS consideration—without open access protections or any state regulatory review—resulting in undue discrimination against competitive generation. We are concerned that SPP

² S&P Global Commodity Insights, *US National Power Demand Study* Executive Summary, at 2-3 (Mar. 10, 2025).

³ Wood MacKenzie, *US Corporate Carbon Emissions-Free Demand Outlook*, at 4 (Jan. 30, 2025), available at: https://cebuyers.org/wp-content/uploads/2025/01/CEBA_US-Corporate-Carbon-Emissions-Free-Demand-Outlook.pdf.

⁴ WoodMackenzie, *US Corporate Carbon Emissions-Free Demand Outlook*, at 5 (Jan. 30, 2025), available at https://cebuyers.org/wp-content/uploads/2025/01/CEBA_US-Corporate-Carbon-Emissions-Free-Demand-Outlook.pdf.

ERAS framework will undermine open access and enable preferential grid access for utility-affiliated generation, elevating the risk of uneconomic resources advancing through the queue, locking up transmission capacity, and raising costs for consumers.

CEBA believes prioritizing reforms that resolve the existing generator interconnection queue backlog remains the most critical and effective solution to ensure resource adequacy. We support SPP's efforts to integrate its transmission and interconnection processes and explore a novel "entry fee model" under the Consolidated Planning Process (CPP) and urge SPP to keep those efforts on track to ensure we see improvements to SPP's traditional queue in a timely manner. **Resolving the current backlog for the interconnection queue would unlock about 145 GW of new, low-cost clean energy resources that could be brought to the grid.**⁵

I. Introduction: CEBA Recognizes LRE's Underlying Resource Adequacy Concern but Disagrees with the Discriminatory Criteria

SPP's resource adequacy shortfall is the nexus of queue delays, increases in resource adequacy requirements, and significant load growth. SPP's short-term generator delays are in part the result of regular delays in its Definitive Interconnection System Impact Study (DISIS). Despite significant backlog clearing, SPP's queue consistently takes between 2 and 3 years before GIAs are able to be executed. Moreover, each DISIS study is contingent upon the prior, meaning that a delay in one, or an error which could cause it to need to be re-run, has implications for each successive study. Such was the case when SPP did not conduct tariff-defined studies on five clusters beginning with the 2017 DSIS and continuing through 2020.

⁵ Lawrence Berkeley National Lab, *Queued Up: 2024 Edition*, at pg. 9 (April 2024), available at https://emp.lbl.gov/sites/default/files/2024-04/Queued%20Up%202024%20Edition_R2.pdf

In addition to slow generation interconnection, there have also been significant changes in SPP's RA requirements in recent years. Following Winter Storm Uri, SPP passed significant reforms shifting away from a 15% annual planning reserve margin to seasonal winter and summer planning reserve requirements. Despite LRE concerns, SPP subsequently increased those reserves from 15% year-round to 16% in the summer and 36% in the winter of 2026, a significant step up in a comparatively short amount of time.

These two policy dynamics by themselves are significant; however, they may have been manageable in other years where load growth was relatively flat. Now, SPP's LRE's are faced with the added pressure of significant load growth across the SPP footprint, both increasing their RA requirements and driving the need to interconnect new resources quickly.

Recognizing the need for reform in its planning and interconnection process, SPP started developing the Consolidated Planning Process (CPP) in 2021. The process seeks to harmonize the generation interconnection, transmission planning, and load forecasting, which all play a significant role in determining resource adequacy. However, the development and implementation of the CPP has been slow.

The fraught existing DISIS process coupled with slow CPP implementation led stakeholders to pursue a one-time, expedited DISIS study, ERAS, in an attempt to relieve some of the near-term resource adequacy shortfall. To differentiate the one-off study and bypass the delays which plague the current process, SPP needed to reduce the modeling complexity by imposing eligibility criteria to limit the number of resources and prioritizing those that were most likely to interconnect. Stakeholders proposed and adopted language restricting the resources

selected to those being brought forward by LREs. In doing so, SPP cut out any other type of market participant from bringing forward resources.

SPP justified these proposed actions on two principles. First, on the flawed logic that LREs carry the PRM obligation and therefore are the only harmed entities. Second, SPP stated that this policy would not set precedent as it was only a one-off study. CEBA disagrees with SPP's justifications.

First, LRE's may be the entity responsible for the load obligation under the SPP tariff; however, all end-use consumers are harmed by resource adequacy shortfalls. The penalty costs from failing to meet PRM requirements are passed down to end-use ratepayers like CEBA members. To address this, many CEBA members are capable of bringing their own resources in open access markets to meet their own obligations. SPP's criteria prevent this, limiting market access.

Additionally, though SPP does not intend to repeat the ERAS process, there is no clear end to the nexus of issues that have put the RTO in this predicament. The CPP will likely not solve all of the issues overnight, load will still likely continue to grow, and PRM requirements could get more stringent, providing the same conditions for which SPP justified ERAS. A new tariff filing, striking the limited use case in the preamble of the proposed Attachment AW⁶, could be adopted and non-LRE's would have limited ability to prevent it.

Non-LRE stakeholders repeatedly raised this concern throughout the voting process; however, SPP's voting body does not provide a strong avenue for non-LREs. Notably, ERAS

⁶ *Southwest Power Pool, Inc.*, Submission of Tariff Revisions to Implement the Expedited Resource Adequacy Study, Docket No. ER25-2296-000 (filed May 25, 2025) ("ERAS Proposal").

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