FERC SHOW CAUSE ORDER TO MISO

EL26-70-000, JUNE 18, 2026

Organization of MISO States

Show Cause Order Overview

- **Issued:** June 18, 2026 (Docket No. EL26-70-000
- **Directives:** The Order directed MISO to address several broad area:
  - Interconnection process arrangements for co-located and/or proximately located generation and load;
  - Transmission Service studies and operational requirements specially addressing Large Load, including consideration of Grid Enhancing Technologies in large load studies; and
  - Transparency and accountability requirements for costs to interconnect large load.
- **Informational Report:** MISO must file an informational report addressing the adequacy of generation to meet large load needs and any proposals under development to increase the speed of interconnecting generation
- **Interaction with Current Large Load Proposals:**
  - The Show Cause Order encouraged MISO to continue work on large load initiatives currently in the stakeholder process and made provision for requesting an abeyance to enable 205 filings to move forward.
  - Order indicated Commission receptiveness to creative solutions from MISO.
- **Deadlines:**
  - **Informational Report:** July 18, 2026
  - **Abeyance Request:** August 2, 2026
  - **Compliance Filing Due:** August 17, 2026 (absent abeyance); November 16, 2026 (with 90-day abeyance)

Order Outline: FERC Show Cause Order to MISO

1. **Background**
2. **Recent FERC Proceedings on Large Load Integration** (SPP HILL/HILLGA, PJM Co-Location)
3. **MISO's Existing Processes** (Existing Tx and GIA Types, On-Going Stakeholder Work)
4. **Discussion Areas** (FERC Jurisdiction, Details on Discussion Area)
   - Transmission Service for Large Load
   - Cost Shifting Among Transmission Customers**
   - Co-Location Arrangements and Load with BTMG
   - Extending New Transmission Service to Large Load
   - Serving Electrically Proximate Large Load and Co-Located Load
   - ❑ Resource Adequacy Informational Report
5. **Briefing Questions**
6. **FERC Ordering Points**
7. **Commissioner Concurrences (All)**

FERC: …we find that MISO's Tariff appears to be unjust, unreasonable, or unduly discriminatory or preferential…

We thus institute a show cause proceeding, and we direct MISO and the TOs (w/in 60 days) to either:

1. Show cause why the Tariff remains just and reasonable and not unduly discriminatory or preferential with without provisions addressing (Section 206):
    a. **Application process**, **study procedures, and ongoing operations requirements** for LLs;
    b. Additional **transparency concerning network upgrades costs for LLs**, a **pro forma cost recovery agreement** between MISO-the relevant TO-and the LL to mitigate the risk of cost shifting among transmission customers, and a **mechanism to ensure such payments are credited** toward TOs revenue requirements…;
    c. Rates, terms, and conditions of service that apply to **co-location arrangements**;
    d. Transmission services that reflect loads that are willing and able to **limit their use of the Tx system under certain conditions**;
    e. Rates, terms, and conditions for **electrically proximate** large load or co-located load.

2. Explain what tariff changes would remedy the concerns and proceed to establish a replacement tariff (via Section 205 filings)

FERC Discussion Topics (Basis for Findings)

1) Transmission Service for Large Load: MISO's tariff lacks provisions how MISO or the TOs will timely study (60-90 days) the provision of transmission service serving LL.

1. Define LL as a distinct tariff category
2. Establish standardized application process
3. Accelerated study timelines
4. Develop operational and reliability requirements
5. Develop service agreements with enforceable obligations

2) Cost Shifting Among Transmission Customers: MISO's tariff lacks mechanisms to prevent cost shifting from LL to existing Tx customers.

1. Improve transparency**
2. Establish pro form cost recovery agreements between MISO/TO/LL
3. Minimum financial commitments and credit support for Tx service
4. Proper settlements/crediting to ensure proper recovery

3) Co-Location Arrangements and Load with BTMG: MISO's tariff does not provide clear framework for co-location or co-located load/BTMG served load

1. Clear definition of co-located load
2. Tariff provisions re: co-loc arrangements, Tx service for co-loc/BTMG, gen IC procedures for co-loc resources
3. Tx service options that allow for varied use of Tx service (e.g., non-firm, etc.)

FERC Discussion Topics (Basis for Findings)

4) Extending New Transmission Service to Large Load: MISO's tariff does not recognize large loads can limit or curtail their transmission usage during certain system conditions.

1. Develop new Tx service options tailored to flexible LL
2. Allow customers to choose service that matches their actual use of the Tx system
3. Require operational controls (e.g. telemetry, protection systems, automated load reduction) to ensure customers can reliably limit withdrawals when required

5) Serving Electrically Proximate Large Load and Co-Located Load: MISO's tariff does not adequately address generation developed specifically to serve nearby loads or co-located load. (**MISO's area of focus?) Existing GI procedures assume generation primarily serve the broader Tx system.

1. Define electrically proximate/clarify when a project qualifies
2. Develop tariff provisions re GI of nearby generation or co-location
3. Create study procedures that recognize the operational relationship between generation/load
4. Clarify the right, responsibilities and operating requirements

Summary of MISO’s RA Filing – Due July 20

Current State: MISO asserts the region remains resource adequate based on current forecasts and planned generation additions. States retain primary responsibility for resource adequacy; MISO supports planning through the PRA, Planning Reserve Margin, and OMS-MISO Survey. The 2026 OMS-MISO Survey projects adequate capacity over the next five years, despite accelerating load growth.

Current Initiatives: Transition to seasonal resource adequacy with the Reliability-Based Demand Curve (RBDC). Implementing Direct Loss of Load (DLOL) accreditation to better value reliability contributions. Continuing ERAS and broader interconnection queue reforms to accelerate needed generation. Improving queue efficiency through DPP reforms, JTIQ, and new study tools (SUGAR).

New Large Load Solutions: Zero Injection GIA (ZGIA): Accelerated pathway for co-located generation that does not inject onto the transmission system. Joint Study Process: Concurrent study of large load (≥250 MW) and associated generation to shorten timelines and optimize transmission solutions. Goal: Increase speed-to-power while maintaining reliability, affordability, and minimizing speculative investment risk.

MISO's July 16 LLWG Slide Deck: Overview of RA Filing

Active Areas of Discussion and Key ANOPR Readings

Cost Allocation
How to align costs with cost causation while protecting existing customers. Debate over embedded rates, incremental cost recovery, and emerging "and pricing" concepts.

Transmission Planning
Standardize large load processes while preserving appropriate TO responsibilities. Improve coordination of load and generation studies.

Transparency
Greater visibility into large load requests, network upgrades, TPZs, and cost allocation. Better information for state regulators evaluating retail impacts.

State & Federal Roles
Resource adequacy is a shared responsibility. Ensure state actions are reflected in the federal record and coordinate effectively.

FirstEnergy	Adapts natural gas incremental pricing framework to better align costs with new large loads.
WIRES	Defends embedded rates; warns direct assignment alone may shift long-term costs.
Harvard (Peskoe)	Questions FERC's prohibition on "and pricing" for large loads.
Grid Strategies	Presents a menu of policy options rather than a single solution.
Electricity Customer Alliance	Focuses on speed to power, affordability, transparency, and federal-state coordination.
Kavulla	Large loads challenge traditional utility regulation and may warrant a new regulatory framework.

Show Cause Book Club Summary sent out Friday evening via email.

What are we (OMS) doing?

Schedule/Filings

- OMS Intervention in EL26-70-000 ☑
- OMS Board Discussion – **July 20**
    - Overview of Show Cause Order and Board Discussion
- RA Report – **July 20**
- ZGIA Filing – **July 31**
- Abeyance (P37) **Aug 3**; MISO/TOs will likely request OMS support
- Large Load Intcxn Reliability Requirements **– mid-August**
- Load Resource Addition Study (LRAS) – **TBD** (*new issue submission at LLWG)
- Non-Firm Service; Firm Service Step-Up – **TBD**
- Individual TO filings - **TBD**
- MISO Show Cause Response Filing (if abeyance granted) **– Nov 17**
- *Interested Party 30-day Response Deadline*

OMS Organization of MISO States Established 2003

~ Biweekly OMS meetings on LL topics and educations sessions are being scheduled.