Board of Directors and Members Committee Meeting

August 4, 2026
InterContinental Saint Paul Riverfront - Saint Paul, Minnesota

SUMMARY OF MOTIONS AND ACTION ITEMS

Consent Agenda

Approved the Consent Agenda

Corporate Governance Committee

- Revisions to Policy for Sector Selection of Representatives on Members Committee and Strategic Planning Committee

Human Resources Committee

- Administrative Committee Scope Change

Markets and Operations Policy Committee

- RR778 — Operations Documentation Updates for CHILLs
- Q3 2026 In-Service Date Delay Recommendation
- Belfield – Roundup 345 kV Out of Bandwidth (BEPC/WAPA)
- Diana & SW Shreveport Out of Bandwidth STATCOMS (AEP)
- Ozark Dam – Forsyth North - Ozark South 161 kV Out of Bandwidth (EDE)
- Ozark Dam – Branson North 161 kV Rebuild Out of Bandwidth (EDE)
- XFR – Phantom 345/115 kV Transformer and Capacitor Banks Out of Bandwidth (SPS)
- SUS-046 SPS Sidewinder 345 kV Rerouting Recommendation

Staff

- American Electric Power Withdrawal UID 112460
- Evergy Kansas Central Withdrawal UID 159414
- Evergy Kansas Central Modification PID 95191
- Evergy Metro Withdrawal UID 170871
- American Electric Power Modification PID 95149, 95150, 95169, 95221, 95204, 95173, 95168
- SPS Modification PID 94941 and 94869
- Cave Short-Term Reliability Project (Evergy)
- Mathewson – Redbud 345 kV New Line Reevaluation Request
- NTC Out-of-Cycle Re-evaluation Request – Evergy Metro
- May 5 Board Meeting Minutes

Regional State Committee

- Approved - RR784 2030 and 2032 PRM Update
- Approved - RR786 CPP Governing Language Clarifications

Staff
- Approved - SW Shreveport Termination Evaluation for Seminole - SW Shreveport 765 kV Recommendation
- Approved - Anthem Termination Evaluation for Anthem- Seminole 765 kV Recommendation
- Approved initiating an urgent stakeholder process on this proposed RR801, completing its assessment of the events. and preparing a comprehensive report to the Board with proposed solutions, including tariff or policy revisions.
- Approved the initiation of the WE-EXPAND High-Priority Study and its associated resource impacts.

MINUTES

Agenda Item 1 – Call to Order and Administrative Items

SPP Board of Directors Vice Chair Stuart Solomon called the meeting to order at 8:03 a.m. CT. The following Board of Directors (Board) and Members Committee members were in attendance or represented by proxy:

<u>Directors</u>
Susan Certoma
John Cupparo
Irene Dimitry
Ray Hepper
Elizabeth Moore
Lanny Nickell
Stuart Solomon
Ben Trowbridge
Steve Wright

<u>Members Committee</u>
Denise Buffington, Evergy
Stacey Burbure, AEP Public Service Co. of Oklahoma
Jarred Cooley, SPS/Xcel Energy
Steve Gaw, Advanced Power Alliance
Brad Hans, Oklahoma Municipal Power Authority
Buddy Hasten, Arkansas Electric Cooperative Corporation
Bleau LaFave, NorthWestern Energy
Joe Lang, Omaha Public Power District
Paul Mahlberg, Kansas Municipal Energy Agency
Chris Matos, Google Energy
Ken Miller, Oklahoma Gas & Electric (Dawn Cash as partial proxy)

David Mindham, EDP Renewables
Gayle Nansel, Western Area Power Administration
Zac Perkins, Tri-County Electric Cooperative (Dakota Lamb as proxy)
Robert Pick, Nebraska Public Power District
Jeremy Severson, Basin Electric Power Cooperative
Kevin Smith, Tenaska Power Services Co (Mark Foreman as proxy)
Al Tamimi, Sunflower Electric Power Corp.
Christy Walsh, Natural Resources Defense Council
Jeff Wells, Nextera Energy
Tim Wilson, Liberty Utilities (Empire District)
Mike Wise, Golden Spread Electric Cooperative
C. Patrick Woods, ITC Great Plains

Agenda Item 2 – Consent Agenda

Vice Chair Solomon asked if there were any items that needed to be removed from the consent agenda.

John Cupparo moved and Ben Trowbridge seconded a motion to approve the consent agenda. The Members Committee voted in favor with none opposed and no abstentions. The Board voted by secret ballot and approved the motion.

Agenda Item 3 – Reports to the Board

3.1 – President's Report

President and CEO Lanny Nickell discussed summer operational challenges, recent FERC orders, and a look ahead to the rest of the year, including the 2026 Integrated Transmission Plan and CARE Team recommendations the Board will consider in November.

3.2 Regional State Committee Report

Chair Chuck Hutchinson provided the RSC report. President Hutchinson reported that at its meeting yesterday, the RSC accomplished important work related to resource adequacy and cost allocation. The RSC also approved the RSC Nominating Committee, accepted the 2025 audit results, and approved the 2027 annual budget.

The RSC voted on two items that are being presented to the Board for approval.

3.21. RR784 2030 and 2032 PRM Update

President Hutchinson explained that in accordance with the Long Term PRM policy, setting the 2030 and 2032 Summer and Winter PRM assists LREs by supporting long term resource planning and indicating the necessity to develop or obtain resources that contribute to sustaining regional reliability. In May 2026, the RSC and Board approved PRM values for the East

Balancing Authority Area and RR784 documents the approval in SPP governing documents (Planning Criteria – Section 4).

The RSC recommends the SPP Board of Directors approve RR784 – Planning Criteria Update for 2030 and 2032 Planning Reserve Margin Values, as presented, which documents the initial Eastern Interconnection Planning Reserve Margin values of 17% for the Summer season and 38% for the Winter season.

Irene Dimitry moved and Susan Certoma seconded a motion to approve RR784 – Planning Criteria Update for 2030 and 2032 Planning Reserve Margin Values, as presented, which documents the initial Eastern Interconnection Planning Reserve Margin values of 17% for the Summer season and 38% for the Winter season. The Members Committee unanimously approved. The Board voted by secret ballot and approved the motion.

3.2.2 RR786 CPP Governing Language Clarifications

President Hutchinson reported that the RSC took four actions on subregion cost allocation. First, the RSC voted to establish two subregions that match the two deliverability areas; second, placement of the Eastern Interconnection area of the Loveland Area Projects zone in the North Deliverability Area; third, placement of the Eastern Interconnection area of the Loveland Area Projects Zone in the Nebraska Subregion; and fourth, limited the footprint of the North Subregion to only the area in the Eastern Interconnection. RR786 includes critical language for establishing the CPP for the Western Interconnection including establishing a GRID-C revenue, defining the Western Interconnection cost allocation subregions, establishing a proper distribution of GRID-C, and Schedule 11 east-west cost sharing.

The RSC recommends the SPP Board of Directors approve RR786 – CPP Governing Language, as presented.

Lanny Nickell moved and Elizabeth Moore seconded a motion to approve RR786 – CPP Governing Language, as presented. The Members Committee voted in favor with one opposed (Omaha Public Power District) and no abstentions. The Board voted by secret ballot and approved the motion.

3.3 Finance Committee Report

Chair Stuart Solomon presented the Finance Committee (FC) report. At its recent meeting, the FC discussed the SPP Membership Fee, corporate insurance program, reviewed investment policies, conducted a 2026 mid-year financial review, and discussed the 2027 budget. While the budget is still being refined, it is anticipated that there will be increases due to IT and healthcare costs. The FC will have a joint session with the SPC to endorse the 2027 Operating Plan.

3.4 Oversight Committee Report

Chair Elizabeth Moore, Ben Trowbridge, and Stuart Solomon provided the Oversight Committee Report. Moore reported committee members led a discussion regarding Oversight Committee activities, including updates from the Market Monitoring Unit (MMU) and SPP's compliance (NERC compliance and Tariff compliance), internal audit, and enterprise risk management teams. Ben Trowbridge provided a cyber and physical security update. Stuart Solomon provided an overview of the MMU only session including discussion related to staffing, budget and MMU activity in stakeholder activities.

3.5 Corporate Governance Committee Report

Chair Lanny Nickell provided the Corporate Governance Committee (CGC) report. Nickell reported that at its May meeting the CGC discussed stakeholder process enhancements, revisions to the Policy for Sector Selection of Representatives on Members Committee and Strategic Planning Committee, Board-requested governance changes, and the Board voting process. The CGC will meet in Chicago in August to finalize governing document revisions related to the Board-requested governance changes, continue review of stakeholder process enhancements, discuss stakeholder input for items under the RSC's primary authority, and consider improvements to the Board renomination process.

3.6 Human Resources Committee Report

Ben Trowbridge provided the Human Resources Committee (HRC) report. Trowbridge reported that the HRC discussed the components of compensation and approved the merit and promotion pool for the 2027 budget. The HRC also reviewed the benefit program and focused on managing plan costs. The HRC also reviewed the HR Metrics and the status of SPP's talent acquisition program.

3.7 Strategic Planning Committee Report

Chair Irene Dimitry provided the Strategic Planning Committee (SPC) report. Dimitry reported that the SPC received updates on the implementation of the Strategic Plan, the 2026 ITP approach, and intermarket optimization strategy. The SPC also took a deep dive into the strategic plan with a focus on leading on reliability and affordability. The SPC also received recommendations from the TOSPTF related to adjusting and rebalancing the RFP scoring rubric to establish consistency across IEPs. The SPC met with the Finance Committee to consider the 2027 operating plan and ensure the operating plan and the strategic plan are aligned.

3.8 Markets and Operations Policy Committee Report

Chair Joe Lang gave an update on the Markets and Operations Policy Committee's (MOPC) recent work. At its July meeting, the MOPC approved 31 items on the consent agenda and 6 revision requests with an average consensus over 98%. Lang provided meeting highlights including approval of CPP Governing Language revisions and discussion of FERC Order 881 implementation, the 2026 ITP, and Price Adaptive Load Service (PALS).

3.9 Staff Reports

3.9.1 SW Shreveport Termination Evaluation for Seminole - SW Shreveport 765 kV Recommendation

Casey Cathey (SPP) presented the SW Shreveport Termination Evaluation for Seminole - SW Shreveport 765 kV. AEP requested re-evaluation for this short-term reliability project. SPP staff requests approval to initiate the re-evaluation and approval of the results. The proposed modification would remove the SW Shreveport 765 kV termination and use Longwood as the new termination point, which has 1GW of additional load since the 2025 ITP. SPP estimates a $50M savings by changing the termination point.

SPP staff recommends Board approval of the re-termination at Longwood, including the request for re-evaluation and results. Cathey noted that staff is requesting approval to conduct the re-evaluation and approve the results of that re-evaluation because staff does not need additional time to conduct the re-evaluation and instead has already completed the analysis.

The Board and stakeholders discussed details about the re-evaluation process, impacts of new loads, concerns about cost shifts and increases, cost comparisons to similar projects, and next steps assuming the Board approves the re-evaluation.

Steve Wright moved and John Cupparo seconded a motion to approve the re-termination at Longwood, including the request for re-evaluation and results. The Members Committee voted in favor with none opposed and no abstentions. The Board voted by secret ballot and approved the motion.

3.9.2 Anthem Termination Evaluation for Anthem- Seminole 765 kV Recommendation

Casey Cathey (SPP) presented the Anthem Termination Evaluation for Anthem- Seminole 765 kV. Cathey explained that staff recommends the Board approve re-terminating the 2025 ITP Anthem–Seminole 765 kV project at the Guava substation instead of Anthem. The Guava termination better supports regional needs, approximately 1.8 GW of recently contracted load, additional load modeled in the 2026 ITP/CPP, and potential future 765 kV expansion. The re-termination remains within the Anthem cost-estimate bandwidth, provides additional production-cost and congestion benefits, and does not create additional reliability concerns based on the planning analysis performed. Approval would position the transmission system to serve materialized and forecasted load growth near Guava while preserving space for additional 765 kV expansion if identified in future ITP assessments. Rejection would retain Anthem as the termination point, which remains a viable option for the currently approved project. However, limited land availability at Anthem could restrict future expansion options and require a different termination or additional system modifications if another 765 kV connection is needed, which is showing strong indication of need through the 2026 ITP.

SPP staff recommends Board approval of the re-termination at Guava. Approval also initiates the cost estimation and RFP process for the Guava-Seminole 765 kV project approved through the 2025 ITP.

The Board and stakeholders discussed the re-evaluation process, spot loads, the NTC-C process, and issuance of RFPs.

Elizabeth Moore moved and Susan Certoma seconded a motion to approve the re-termination at Guava. Approval also initiates the cost estimation and RFP process for the Guava-Seminole 765 kV project approved through the 2025 ITP. The Members Committee voted in favor with none opposed and no abstentions. The Board voted by secret ballot and approved the motion.

3.9.3 Blue Valley-Crosstown 161 kV Cost Est. Re-baseline Update

Casey Cathey (SPP) provided an informational update on the Blue Valley-Crosstown 161 kV reliability project. Cathey explained that Evergy has provided a detailed out of bandwidth cost estimate for the Crosstown-Blue Valley Short Term Reliability Project in downtown Kansas City. Although the project is below $150M and Non-Applicable, with the size of the out of bandwidth cost and the STRP project status, staff is following the Business Practice 7060 process for out of bandwidth projects and performing an expedited re-evaluation. Since the project is below $150M it has already been issued an NTC without conditions and will not be delayed while the re-evaluation occurs. Cathey presented this for awareness due to the critical location of the project in Downtown Kansas City, unique construction challenges and methodology, and cost increases.

3.9.4 Short-Term Reliability Contracts

Paul Suskie (SPP) provided an update on the Order No. 1000 TOSP DTO Agreements. Order 1000 Strategic Review Task Force (O1000 SRTF) final report approved by the SPC and Board, Recommendation #4 included direction for Staff to create a standardized contract required to be executed between the selected DTO and SPP after award of a competitive upgrade and filed at FERC.

To implement, staff developed RR751 for the O1000 SRTF recommendation which included the Competitive DTO Agreement. The TWG approved a motion to remove the Competitive DTO Agreement and tariff language from RR 751 and move it forward in a separate RR to allow for additional stakeholder review and discussion. MOPC approved the TWG recommendation.

As a result, staff posted RR 785 with the Competitive DTO Agreement and corresponding Tariff language. After discussion, RR785 was tabled at the June TWG meeting and will be discussed again at the August TWG meeting.

3.9.4.1 STRP 765 kV Contract Updates

Paul Suskie (SPP) explained that this agenda item is based on Board Action Item #29: "Between now and NTC-C dates for the STRPs, staff will work with incumbents to develop an agreement to address cost overruns and delays. Staff will report progress at the May board meeting." Suskie reported that Staff will provide a contract in the August time frame, and during the NTC-C process in September the dollar amounts can be added. SPP has been actively working on agreements with each of the Transmission Owners for the 765 kV projects. The parties have developed an agreement via an Enhanced Notice to Construct (E-NTC). As proposed, an E-NTC will contain any cost and schedule commitments with a new Appendix A. The E-NTC will require the building Transmission Owner to make any necessary filings at FERC to create mechanisms to effectuate cost and schedule commitments via existing formula processes and protocols. E-NTCs will be posted on SPP.org like other NTCs and details of the commitments will be contained in new Appendix A.

Suskie invited each of the utilities to share comments, questions or concerns as part of this agenda item.

3.9.4.2 Future *proforma* STRP Contract Update

Paul Suskie provided an update on the *proforma* STRP contract. At the May 5, 2026, Board meeting, the Board adopted an action item directing SPP staff to "Develop and finalize a new Short-Term Reliability Project (STRP) Agreement by the November 2026 Board of Directors meeting to be applied to future STRPs beginning in February 2027, supplemented by collaboration with appropriate stakeholders and in coordination with the CARE team. These STRP Agreements should become a part of SPP's tariff as proforma agreements to be executed by any incumbent TO that is directly assigned an STRP. In addition to identifying remedies for non-performance within the agreement, also identify appropriate remedies for those Transmission Owners that choose not to execute the STRP Agreement."

In response to the action item, the STR Agreement Ad Hoc Group was created to develop recommendations to bring to the Board. Suskie anticipates recommendations for the Board to consider will be presented at the November meeting.

3.9.5 Impact Assessment SPP Staff-led Order 1000 TOSP

Paul Suskie reported that the Order 1000 Strategic Review Task Force (O1000 SRTF) recommends maintaining SPP's competitive bid-based transmission owner selection framework while implementing targeted improvements to strengthen efficiency, consistency, transparency, and governance. A key recommendation that was considered was transitioning from the current Industry Expert Panel (IEP)–led evaluation model to an SPP staff-led competitive evaluation process supported by external consultants. Staff were directed to perform an impact assessment detailing the governance, staffing risks and cost considerations related to transitioning to a staff lead evaluation process.

The O1000 SRTF found that while the IEP model provides independence, it has resulted in perceived inconsistent evaluation outcomes and limited continuity across projects due to each IEP being composed of different individuals. The task force also noted that SPP is unique among RTOs in relying on an independent panel to conduct full proposal evaluations and develop final recommendations. Peer RTOs, including MISO and CAISO, utilize staff-led evaluation models supported by external consultants. The task force concluded that a hybrid staff-led approach could improve consistency, strengthen accountability, and better integrate system knowledge while preserving independent technical input through consultant support.

Suskie reported that transitioning to a staff-led TOSP introduces several material risks and considerations:

- Independence and Perception Risk: Moving the evaluation ownership from an independent panel to SPP staff heightens the risk of perceived or allegations of actual bias. Even with robust governance controls, stakeholder confidence in the objectivity of outcomes may be diminished, especially for high-value projects.

- Consultant Availability and Execution Risk: Securing qualified consulting expertise is a near-term concern, given the specialized requirements and tight timelines for upcoming competitive solicitations.

- Insufficient consultant support could have an impact on evaluation quality, timelines, and defensibility of outcomes.

- Governance and Ex-Parte Risk: A staff-led model increases exposure to ex-parte communication risks and places greater demands on internal controls to ensure compliance and transparency, especially given SPP staff's robust, frequent, and ongoing stakeholder interactions.

- Stakeholder Relationship Risk: Shifting recommendation authority to staff may strain relationships and collaboration with members, potentially affecting engagement on other strategic issues. Creating perceptions impacting SPP staff's independence and neutrality could have broader implications for SPP's collaborative processes.

- Resource Utilization and Scalability Risk: Fixed internal staffing investments may lead to inefficiencies during periods of low project volume, while rapid scaling is required during peak periods. Ensuring optimal resource utilization and scalability remains a challenge.

Overall, these risks represent a significant shift in SPP's risk profile compared to the current IEP-led model. The assessment concludes that, while a staff-led model offers potential improvements in consistency and integration, the associated risks to independence, execution, stakeholder confidence, and resource availability are substantial. Additionally, SPP staff are diligently implementing other improvements to SPP's TOSP to help address concerns that led to a recommendation for a staff led IEP. Ongoing improvements include changes to the RFP documents and Minimum Transmission Design Standards, policy updates to require consistent scoring by IEP, and additional sensitives and scenario analysis by the IEP related to costs, costs guarantees and risk mitigation. Of note, on July 21, 2026, FERC approved several TOSP enhancements effective July 22, 2026, that will further improve SPP's TOSP.

In summary, Suskie reported that SPP Staff does not support proceeding with a staff-led evaluation model at this time due to significant risks outweighing potential benefits.

SPP Staff recommends maintaining the current IEP-led evaluation framework utilizing additional consulting resources to support the independent IEP while continuing to evaluate additional targeted enhancements that improve consistency and efficiency without introducing undue risk.

The Board and stakeholders discussed pros and cons of continuing to use the IEP versus transitioning to a staff-led evaluation, with several stakeholders expressing support for the staff-led process while others support retaining the IEP process. Many noted that we need to continue to review and refine this process.

The Board accepted staff's recommendation, provided the stated improvements are implemented, and closed the action item.

3.9.6 RR801 Western BAA Market Adequacy Evaluation Proposal

Carrie Simpson (SPP) presented RR801 Western BAA Market Adequacy Evaluation Proposal. The objective of the RR is to create a mechanism to incentivize energy adequacy in the Day-Ahead RUC and RTBM within the SPP West BAA. Simpson reported that this is an urgent issue and that staff is requesting expedited action.

SPP staff recommends Board approval of the initiation of an urgent stakeholder process to address RR801 Western BAA Market Adequacy Evaluation.

Carrie Bivens (Market Monitoring Unit) presented the MMUs concerns with RR801 Western BAA Market Adequacy Evaluation Proposal including the evaluation timeline in relation to staff's goal of filing before Labor Day.

Stakeholders questioned whether this is a short-term solution or intended to be a long-term fix, the differences between urgent an expedited revision requests, and timing flexibility for comments in response to the evaluation. Staff committed to bring a comprehensive report with recommendations to a special Board meeting within the next 30 days. The goal is to receive Board approval of a proposal at an upcoming special Board meeting.

The Board directed Staff to (1) initiate the urgent stakeholder process on this proposed RR; and (2) complete its assessment of the events and prepare a comprehensive report to the Board with proposed solutions, including tariff or policy revisions.

Steve Wright moved and Lanny Nickell seconded a motion to (1) initiate the urgent stakeholder process on this proposed RR; and (2) complete its assessment of the events and prepare a comprehensive report to the Board with proposed solutions, including tariff

or policy revisions. The Members Committee voted in favor with none opposed and no abstentions. The Board voted by secret ballot and approved the motion.

3.9.7 Western and Eastern Interconnection Capacity Expansion High Priority Study Recommendation

Casey Cathey (SPP) introduced the purpose of the western-eastern expansion of eXchange Pathways and Network Development (WE-Expand) High-Priority Study. He explained that existing East-West transfer capability is about 1,300 MW less than 1% of either interconnection peak. The ties are at maximum flow 40% of the time, and price spreads exceed $30/MWh 35% of the time. He reported that this high-priority study directly aligns with two of the new Strategic Plan’s strategic imperatives. Cathey also provided a preview of potential benefits including SPP load (LMP) benefits due to price convergence could be approximately $786M annually.

SPP staff recommends Board approval of the initiation of the WE-EXPAND High-Priority Study and its associated resource impacts.

Lanny Nickell moved and Irene Dimitry seconded a motion to approve the initiation of the WE-EXPAND High-Priority Study and its associated resource impacts. The Members Committee voted in favor with none opposed and one abstention (Evergy). The Board voted by secret ballot and approved the motion.

Adjournment

With no further business, Mr. Solomon adjourned the meeting at 12:20 PM CT.

Respectfully Submitted,

Paul Suskie, Secretary to the SPP Board of Directors