ONE HUNDRED NINETEENTH CONGRESS

Congress of the United States

House of Representatives COMMITTEE ON ENERGY AND COMMERCE

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May 28, 2025

Mr. Lanny Nickell President and Chief Executive Officer Southwest Power Pool 201 Worthen Drive Little Rock, AR 72223

Dear Mr. Nickell:

Thank you for appearing before the Subcommittee on Energy on Tuesday, March 25, 2025, to testify at the hearing entitled "Keeping the Lights on: Examining the State of Regional Grid Reliability."

Pursuant to the Rules of the Committee on Energy and Commerce, the hearing record remains open for ten business days to permit Members to submit additional questions for the record, which are attached. The format of your responses to these questions should be as follows: (1) the name of the Member whose question you are addressing, (2) the complete text of the question you are addressing in bold, and (3) your answer to that question in plain text.

To facilitate the printing of the hearing record, please respond to these questions with a transmittal letter by the close of business on Wednesday, June 11, 2025. Your responses should be mailed to Calvin Huggins Legislative Clerk, Committee on Energy and Commerce, 2125 Rayburn House Office Building, Washington, DC 20515 and e-mailed to Calvin.Huggins1@mail.house.gov.

Thank you again for your time and effort preparing and delivering testimony before the Subcommittee.

Sincerely,

Robert E. Latta Chairman

Subcommittee on Energy

Robert E. Satta

cc: Kathy Castor, Ranking Member, Subcommittee on Energy

Attachment

Additional Questions for the Record

The Honorable Robert E. Latta (R-OH)

- 1. As stated in President Trump's Executive Order "Removing Barriers to American Leadership in Artificial Intelligence" (AI EO) on January 23, 2025 "It is the policy of the United States to sustain and enhance America's global AI dominance in order to promote human flourishing, economic competitiveness, and national security." President Trump has made it clear that he wants the US to be the global leader in AI and unleash American energy. How does SPP plan to ensure sufficient supply of energy to meet the needs of data centers in a timely manner?
- 2. Accurate and transparent electricity load forecasting is a linchpin of modern economic development. States rely on these forecasts to plan new industrial parks, data centers, and manufacturing hubs, while utilities use them to schedule grid expansions and major infrastructure investments. Despite the vital role of load forecasts in spurring economic growth, practices vary widely among states, utilities and RTO/ISOs, often leading to inconsistent data, misaligned investment signals, and unnecessary risk for both utilities, and both large and residential customers. Recent inconsistencies underscore how a patchwork of forecasting methodologies can exacerbate speculation in large load interconnection requests, inflate demand projections, and drive-up costs. These issues cross both state and federal jurisdictions and regional differences.
 - a. What steps is SPP taking to ensure its load forecasting is transparent, predictable and correctly anticipating future capacity and infrastructure needs to power AI infrastructure?
 - b. What, if any, barriers exist to increased transparency on potential load growth from AI?
- 3. How can RTOs accelerate transmission expansion to support load growth without creating excessive costs for ratepayers?
- 4. From a siting and permitting perspective, what do you see as the challenges and barriers to constructing sufficient transmission infrastructure needed for reliable, safe, affordable, and timely delivery of power?
 - a. What role, if any, should Congress and FERC play in siting and permitting for regional or interregional transmission?
- 5. Regarding planning for transmission, what specific impediments have you identified to current state, regional, and interregional planning for transmission projects?
 - a. What are examples of impediments you have identified and what is necessary for system planners to overcome these impediments?

- b. What reforms do you recommend to improve state, regional, and interregional planning to overcome these impediments?
- 6. In the last Congress and the previous administration, there was a lot of talk about transmission policy reform.
 - a. How does your organization plan transmission in your region and with other regions? What should Members understand about the nature of transmission planning as it exists today?
 - b. Does a top-down approach, through FERC, serve the interests of utilities and grid operators that are already expending tremendous time and engineering resources on design new transmission?
- 7. While much of the focus on our electric grid is on increasing demands for electricity from data centers and domestic manufacturing, we must also ensure that ratepayers are not unduly burdened by new infrastructure development. As you mention in your testimony, SPP enjoys some of the lowest wholesale electricity prices in the country, which is served by a diverse generation mix of renewables and baseload power that complements intermittent generation.
 - a. Will new investments into energy intensive industries raise costs on ratepayers or can these new investments lower prices for households and small businesses?
- 8. What would be your top priority or need from states, FERC or Congress to assist you in meeting new demand —especially if we need even more power than projected? Are you equipped today to meet increased future demand at the pace needed and to maintain affordability and competitive rates?

The Honorable Rick Allen (R-GA)

- 1. Nearly twenty percent of our nation's electricity is generated by 94 nuclear reactors. Constructed forty to fifty years ago, these reactors represent enduring assets that continue to deliver significant value long after the visionary decisions to build them were made. Today's market conditions, however, would likely discourage companies from pursuing such generational investments. As states grapple with rising power demands, they are seeking innovative tools to drive the deployment of next-generation nuclear facilities.
 - a. How can these potential state actions fit within your markets?
- 2. In its 2024 Long Term Reliability Assessment Report, the North American Electric Reliability Corporation (NERC) recommends that to maintain demand and supply balance, dispatchable generators, including fossil fuel generators, must be available and capable of following changing electricity demand.
 - a. To ensure reliability, what measures are you taking to discourage the premature retirement of fossil fuel generators?

The Honorable Kathy Castor (D-FL)

1. One of our greatest challenges today is getting new sources of electricity on the grid as quickly as possible in this new era of increasing electricity demand. Interconnection processes – while critical to maintaining the reliability of the grid – can also take far too long under the current framework.

On March 17, FERC Commissioner David Rosner wrote a letter to each of you detailing new opportunities to streamline the interconnection process. In a recent study by the Midcontinent Independent System Operator (MISO), an automated process was able to nearly replicate in ten days the results of an interconnection study that took nearly two years to conduct.

- a. Please describe your experience with interconnection automation technologies to date and the prospects for further deploying them going forward.
- b. Please describe how FERC and Congress can each support such innovation.
- 2. This past winter, when much of the East Coast experienced record demand, wholesale electric prices soared to approximately \$700 in certain areas. In contrast, when SPP faced similar cold weather challenges, wholesale prices were dramatically lower than in other regions. Can you explain how the availability and amounts of wind, solar and storage resources in SPP helped to limit wholesale prices and helped maintain reliability in your respective regions?

The Honorable Scott Peters (D-CA)

- 1. Have you experienced permitting delays that this committee should better understand? What are some key/important examples?
- 2. What laws (on permitting specifically, but also planning, siting, interconnection, cost allocation, etc.) should be changed/amended/improved with regard to permitting?
- 3. What are your specific challenges when it comes to planning and cost allocating high voltage transmission lines?