

March 16, 2026

**VIA ELECTRONIC FILING**

The Honorable Debbie-Anne A. Reese  
Secretary  
Federal Energy Regulatory Commission  
888 First Street NE  
Washington, DC 20426

**Re: Informational Filing of GridLiance High Plains LLC  
Docket No. ER25-\_\_\_-000**

Dear Ms. Reese:

Pursuant to Section VI of GridLiance High Plains LLC's ("GridLiance HP") Wholesale Distribution formula rate protocols ("Protocols"), GridLiance HP submits this transmittal letter and supporting materials ("Informational Filing") reflecting GridLiance HP's projected net Wholesale Distribution revenue requirement ("Annual Projection") for Rate Year ("RY") 2026, effective January 1, 2026, which includes its Wholesale Distribution Annual True-Up Adjustment ("True-Up") for RY2024. As set forth in the Protocols, this Informational Filing is provided to the Federal Energy Regulatory Commission ("Commission" or "FERC") for informational purposes only and does not require any Commission action.<sup>1</sup>

**I. BACKGROUND**

GridLiance HP was formed specifically to develop, own, and operate transmission facilities within the Southwest Power Pool, Inc. ("SPP") region. GridLiance HP and its sister transmission companies operating in other regional transmission organizations are subsidiaries of GridLiance Holdco, LLC ("GridLiance"). GridLiance is a wholly-owned, indirect subsidiary of NextEra Energy Transmission, LLC ("NEET"). NEET is a wholly-owned, indirect subsidiary of NextEra Energy, Inc., a Florida corporation that is publicly traded on the New York Stock Exchange.

GridLiance HP currently owns approximately 444 miles of transmission lines and related facilities in the Oklahoma Panhandle region ("Oklahoma Panhandle Assets") and a 65% interest in approximately 30 miles of transmission lines and related facilities in Kansas ("Kansas Assets").<sup>2</sup> GridLiance HP acquired certain of the Oklahoma Panhandle Assets from Tri-County Electric Cooperative, Inc. ("TCEC") on April 1, 2016, pursuant to the Commission's authorization under Section 203 of the Federal Power Act ("FPA") in Docket No. EC15-206-000.<sup>3</sup> On December 10, 2015, in Docket

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<sup>1</sup> GridLiance HP also maintains a formula rate template and protocols for transmission rates pursuant to an Open Access Transmission Tariff (OATT), which was approved by the Commission in Docket No. ER18-1267. As explained in that proceeding, the facilities subject to the formula rate in GridLiance HP's OATT are the same as the facilities subject to the template for its Wholesale Distribution revenue requirement. Accordingly, this Informational Filing also demonstrates GridLiance HP's compliance with its Protocols for the formula rate template included in its OATT.

<sup>2</sup> GridLiance HP transferred functional control of the Kansas Assets to SPP on September 1, 2020. These assets are included in the concurrent Informational Filing GridLiance HP is submitting to provide background and information on its SPP transmission rates.

<sup>3</sup> *South Central MCN LLC*, 154 FERC ¶ 61,174 (2016).

No. ER16-505, GridLiance HP requested Commission acceptance of a Wholesale Distribution formula rate template and implementation protocols, Wholesale Distribution Service Agreement, and Wholesale Distribution Operating Agreement (“WDS Rate”) to enable GridLiance HP to recover the cost of providing wholesale distribution service over the Oklahoma Panhandle Assets to TCEC.<sup>4</sup> On February 8, 2016 the Commission accepted GridLiance HP’s WDS Rate, subject to the outcome of Docket No. ER15-2594.<sup>5</sup>

Since the February 8, 2016 Order, the Commission has accepted revisions to GridLiance HP’s WDS Rate to (1) implement the return on equity agreed to in an uncontested settlement approved by the Commission in Docket No. ER15-2594;<sup>6</sup> (2) implement a revised affiliate cost allocation methodology in compliance with the Commission’s directive in Docket No. ER15- 2594;<sup>7</sup> (3) revise GridLiance HP’s methodology for calculating Accumulated Deferred Income Tax (“ADIT”) balances in its annual revenue requirement projections in compliance with guidance from the Internal Revenue Service (IRS) and the Commission;<sup>8</sup> (4) correct a technical error that would have resulted in GridLiance HP utilizing a hypothetical cost of debt rate, even after it acquired actual debt;<sup>9</sup> (5) revise GridLiance HP’s methodology for calculating ADIT balances in its annual revenue requirement true-ups in compliance with guidance from the IRS and the Commission;<sup>10</sup> and (6) reflect in its formula rate templates and protocols GridLiance High Plains’ name change from its previous name, South Central MCN LLC.<sup>11</sup>

On January 29, 2019, in Docket No. EL19-29-000, the Commission instituted a proceeding under Section 206 of the FPA to determine whether the inclusion of an income tax allowance in GridLiance HP’s formula rate templates is just and reasonable, given that GridLiance HP is owned by a limited partnership and recovers a return on equity that was calculated using a discounted cash flow methodology.<sup>12</sup> The Commission predicated the 206 proceeding on the case of *United Airlines, Inc. v. FERC*, 827 F.3d 122 (D.C. Cir. 2016) and FERC’s Revised Policy Statement on Treatment of Income Taxes, issued on March 15, 2018.<sup>13</sup> On December 19, 2019, in Docket No. ER19-2488, the Commission issued an order approving an uncontested settlement agreement that resolved the income tax allowance issue and directed GridLiance HP to revise its Formula Rate to effectuate certain conditions contained in the settlement agreement. On February 20, 2020 and April 29, 2020, GridLiance HP submitted compliance filings for its WDS Rate in

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<sup>4</sup> South Central MCN LLC, Docket No. ER16-505-000 (Dec. 10, 2015). As noted in the concurrent Informational Filing GridLiance HP is submitting for its SPP transmission rates, SPP later determined that, due to certain facility upgrades GridLiance HP completed to respond to TCEC’s system reliability concerns, a portion of the Oklahoma Panhandle facilities satisfy Attachment AI. As of November 1, 2018, GridLiance HP transferred functional control to SPP, which used the Networked Oklahoma Panhandle Assets to provide transmission service to customers in Zone 11 under the SPP Tariff, and GridLiance HP submitted its annual information filings reflecting its ATRR for the 2019, 2020, and 2021 rate years, including the costs associated with the Networked Oklahoma Panhandle Assets. On September 22, 2022, the Commission issued Opinion No. 579 determining that SPP and GridLiance HP had not demonstrated that the proposed tariff revisions to incorporate the Networked Oklahoma Panhandle Assets and associated ATRR into Zone 11 are just and reasonable. *Sw. Power Pool, Inc.*, 180 FERC ¶ 61,192, (2022). Furthermore, The Commission clarified that the Networked Oklahoma Panhandle Assets may continue to be classified as distribution facilities and GridLiance HP’s wholesale distribution rate remains the rate on file with the Commission for recovery of the cost of service provided by the Networked Oklahoma Panhandle Assets as distribution facilities, effective November 1, 2018, and going forward. *Sw. Power Pool, Inc.*, 182 FERC ¶ 61,014, (2023). GridLiance HP was directed to submit its proposed accounting entries for Commission approval for the reclassification of the plant assets from transmission to distribution, including the associated balances for accumulated depreciation in Account 108. The proposed reclassification entries were approved on April 18, 2023, and the restated 2018-2021 and 2022 FERC Form 1s, reflecting the reclassification, were filed on June 16, 2023.

<sup>5</sup> *South Central MCN LLC*, 154 FERC ¶ 61,090 (2016) (Feb. 8, 2016 Order).

<sup>6</sup> *South Central MCN LLC*, Docket No. ER16-505-002 (Dec. 29, 2017) (delegated letter order).

<sup>7</sup> *South Central MCN LLC*, 161 FERC ¶ 61,053 (2017) (Oct. 19, 2017 Order).

<sup>8</sup> *South Central MCN LLC*, Docket Nos. ER18-565-000 and ER18-564-001 (May 24, 2018) (delegated letter order).

<sup>9</sup> *Id.*

<sup>10</sup> *GridLiance High Plains LLC*, Docket Nos. ER18-1955-000 and ER18-1955-001 (Sep. 21, 2018) (delegated letter order).

<sup>11</sup> *Id.*

<sup>12</sup> *GridLiance Heartland LLC et al.*, 166 FERC ¶ 61,067, at PP 66-76 (2019).

<sup>13</sup> *Id.* See also *Inquiry Regarding the Commission’s Policy for Recovery of Income Taxes*, Revised Policy Statement, 162 FERC ¶ 61,227 (2018).

Docket No. ER20-1047 to comply with its commitments in the settlement, which were accepted by the Commission, effective January 1, 2020 and July 1, 2020, respectively.<sup>14</sup>

On February 4, 2019, in Docket Nos. ER15-2594, ER17-953, and EL18-16, the Commission issued an order in which it granted GridLiance HP's request for rehearing and reversed a previous directive that would have required GridLiance HP to calculate the weighted marginal income tax rate of each category of its owners and fix that input in GridLiance HP's formula rate templates.<sup>15</sup> The Commission also accepted, subject to condition and further compliance filings, GridLiance HP's proposal to delete a section of its formula rate protocols that was the subject of the FPA Section 206 proceeding in Docket No. EL18-16-000 and terminated the Section 206 proceeding.<sup>16</sup> On April 5, 2019, GridLiance HP submitted a compliance filing to comply with several directives from the Commission's February 4, 2019 order. On January 19, 2021, GridLiance HP submitted a supplemental compliance filing to address certain items raised in informal conversations with Commission staff. The compliance filings were accepted by the Commission, effective April 1, 2016 and April 1, 2018, for Docket Nos. ER17-953 and ER15-2594, respectively.<sup>17</sup>

In November 2019, FERC issued a final rule on addressing the effects of the Tax Cuts and Jobs Act on accumulated deferred income taxes ("ADIT"). Order No. 864 required utilities with formula transmission rates to (1) include a mechanism by which excess ADIT is deducted from rate base and (2) incorporate a mechanism to adjust income tax allowance to reflect amortized excess ADIT and (3) add a new permanent worksheet that will annually track information related to excess ADIT in their formula rate, effective January 2020. On June 12, 2020, in Docket No. ER20-2043, GridLiance HP submitted a compliance filing to revise its WDS Rate to comply with the directives in Order No. 864. On December 21, 2022, GridLiance HP submitted a supplemental compliance filing, which was accepted by the Commission, effective January 27, 2020.<sup>18</sup>

## II. INFORMATIONAL FILING

Section VI.A of the GridLiance HP Protocols provides that, by March 15 of each year, GridLiance HP "shall submit to FERC an Informational Filing of their projected net revenue requirement for the Rate Year ("RY"), including their Annual True-Up and True-Up Adjustment." Accordingly, attached herewith are populated formula rate templates, in Microsoft Excel format, calculating GridLiance HP's actual net Wholesale Distribution revenue requirement for the RY2024, and its projected net Wholesale Distribution revenue requirement for the RY2026, including the True-Up Adjustment. This includes refunds to wholesale customers, with interest, consistent with the Letter Order issued on August 21, 2024, approving an Audit Report prepared by the Division of Audits and Accounting within the Commission's Office of Enforcement and the Refund Report of NextEra Energy Transmission, LLC filed on December 20, 2024, in Docket No. PA23-2-000.

These same populated templates were posted to the GridLiance HP website along with the date and time of the open meetings among Interested Parties. The open meetings were held on July 23 and October 20, 2025. No Informal Challenges were submitted prior to the close of the Review Period, as defined in Section IV of the Protocols.

In addition, Section VI.A of the Protocols requires the Informational Filing to include

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<sup>14</sup> *GridLiance High Plains LLC*, Docket Nos. ER20-1047-000 and ER20-1047-001 (Oct. 13, 2021) (delegated letter order).

<sup>15</sup> *South Central MCN LLC*, 166 FERC ¶ 61,092 (2019).

<sup>16</sup> *Id.*

<sup>17</sup> *GridLiance High Plains LLC*, 175 FERC ¶ 61,070 (2021).

<sup>18</sup> *GridLiance High Plains LLC*, Docket Nos. ER20-2043-000 and ER20-2043-001 (Feb. 3, 2023) (delegated letter order).

information related to affiliate cost allocation. GridLiance HP described its affiliate cost allocation methodology in a compliance filing GridLiance HP submitted to the Commission on February 9, 2017 in Docket Nos. ER15-2594-0003, ER16-505-000, and ER17-953,000.<sup>19</sup> As described in that filing, GridLiance HP allocates affiliate costs by directly assigning direct costs incurred by it or its centralized service company, GridLiance Management, LLC (“ManageCo”), to GridLiance HP and its affiliate Transcos on whose behalf the direct costs were incurred, and allocates indirect costs incurred by ManageCo to GridLiance HP and its affiliate Transcos in proportion to their internal and external direct costs.<sup>20</sup> The Commission accepted GridLiance HP’s proposed cost allocation methodology on October 19, 2017.<sup>21</sup> GridLiance HP’s RY2026 Annual Projection does not include a specific breakout of costs between affiliates. Instead, using the cost allocation methodology described above, GridLiance HP projected in its budgeting for RY2026 the direct costs to be incurred by each affiliate, including GridLiance HP, and then, according to the cost allocation methodology, allocated projected indirect costs by the ratio of direct costs. In addition, GridLiance HP has attached as Exhibit C to this filing a description of the methodologies used to allocate costs between GridLiance HP and its non-GridLiance HoldCo affiliates.

### III. SERVICE

As required by Section VI of GridLiance HP’s Protocols and to ensure that all Interested Parties receive proper notice of this Informational Filing, GridLiance HP will post this filing and its docket number on GridLiance HP’s website within five (5) days of this submission. A copy of this filing is being provided to TCEC at the time of filing.

### IV. CONTENTS OF FILING

In addition to this transmittal letter, this filing includes:

- Exhibit A: populated Microsoft Excel formula rate template reflecting GridLiance HP’s 2026 projected net Wholesale Distribution revenue requirement effective January 1, 2026
- Exhibit B: populated Microsoft Excel formula rate template reflecting GridLiance HP’s Annual True-Up of its actual net Wholesale Distribution revenue requirement for the 2024 rate year
- Exhibit C: information about affiliate cost allocation

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<sup>19</sup> South Central MCN LLC, Docket Nos. ER15-2594-003, ER16-505-000, ER17-953-000 (Unconsolidated) (Feb. 9, 2017).

<sup>20</sup> *Id.* at 3-4

<sup>21</sup> October 19, 2017 Order at PP 50-51.

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## V. CONCLUSION

For the reasons discussed herein, GridLiance HP respectfully requests that the Commission accept this filing for informational purposes, consistent with Section VI of the GridLiance HP Protocols.

Respectfully submitted,

/s/ Travis M. Contratto

Travis M. Contratto

Principal Attorney

Federal Regulatory Affairs

NextEra Energy, Inc.

800 Pennsylvania Ave., NW, #220

Washington, DC 20004

(202) 904-5928

[Travis.Contratto@nee.com](mailto:Travis.Contratto@nee.com)

*Counsel for GridLiance High Plains LLC*