



September 8, 2026

The Honorable Chris Wright
Secretary of Energy
U.S. Department of Energy
1000 Independence Avenue, SW
Washington, DC 20585

**Re: Prime Mover Institute's Comment on the Draft 2026 National
Transmission Needs Study, 91 Fed. Reg. 42,429 [Docket DOE-HQ-
2026-0892] (July 9, 2026)**

Dear Secretary Wright:

Prime Mover Institute provides these comments in support of the Department of Energy's (the Department's) draft 2026 National Transmission Needs Study. Notice of Availability and Request for Comment, 91 Fed. Reg. 42,429 (July 9, 2026). Prime Mover applauds the Department for its draft study and offers several constructive comments on ways to improve this excellent report.

The Prime Mover Institute is a new public interest organization dedicated to advancing energy dominance in America. We work with coalition partners to engage in rulemaking processes with technical information and legal arguments, calling attention to the impacts regulation has on citizens, the grid, and the rule of law.

America stands at a crossroads. A legacy of bad policy and worse ideas threatens the nation with blackouts and bill hikes, right as demand for energy rises. In order for America to scale up its energy production and avoid the worst-case scenarios, we cannot cling to the policies and procedures that got us here. Fortunately, both policymakers and the private sector realize the need for dramatic change. And courts have begun to look more skeptically at accretions of arbitrary power, accretions that government officials used to thwart energy production and use. This points the way to a future of streamlined regulation, taxpayer savings, and cheaper, more abundant energy for all.

The main obstacle to energy dominance is what Robert Bryce calls the "anti-industry industry," the non-profits and lawyers dedicated to defending the status

quo. These groups have used litigation, regulatory comments, and intimidation to forestall change. They will no doubt keep at it. But, despite their vast funding, they will not be able to maintain a policy regime that's so far out of touch with the American public and their elected representatives. So long, that is, that the advocates of energy dominance show up to defend their ideas.

In the words of Vaclav Smil, "prime movers are energy converters able to produce kinetic (mechanical) energy in forms suitable for human uses." In the same way, Prime Mover Institute helps convert insight into action.

Prime Mover Institute urges the Department to finalize the study on that basis. Thank you for the opportunity to comment.

Respectfully submitted,

/Russell Greene/
Russell Greene
Executive Director
Prime Mover Institute

BACKGROUND

1. Section 216 of the Federal Power Act

Section 216(a) of the Federal Power Act gives the Secretary of Energy two duties. The first is a study. Every three years, “in consultation with affected States and Indian Tribes,” the Secretary must “conduct a study of electric transmission capacity constraints and congestion.”¹ The second is a report. At least every three years, “after considering alternatives and recommendations from interested parties,” the Secretary must issue a report based on that study “or other information relating to electric transmission capacity constraints and congestion.”²

The report is where corridors are designated. It “may designate as a national interest electric transmission corridor any geographic area” that is experiencing constraints or congestion “that adversely affects consumers,” or that “is expected to experience” them.³ The statute permits designation; it does not require it. Among the factors the Secretary may weigh is whether “the designation would result in a reduction in the cost to purchase electric energy for consumers.” Once a corridor is designated, the Federal Energy Regulatory Commission (the Commission) may permit transmission facilities within it over a state’s inaction or refusal, on findings that include a finding that the facilities “will significantly reduce transmission congestion in interstate commerce and protects or benefits consumers.”⁴

2. The National Transmission Needs Study and the July 2026 draft

The National Transmission Needs Study is the Department’s name for the Section 216(a)(1) study. Congress amended Section 216(a) in 2021 through the Infrastructure Investment and Jobs Act, and the Department’s first study under the amended provision, issued in October 2023, “replaces what was formerly known as the National Electric Transmission Congestion Study.”⁵ The July 2026

¹ 16 U.S.C. § 824p(a)(1).

² 16 U.S.C. § 824p(a)(2).

³ *Id.*

⁴ 16 U.S.C. § 824p(a)(4)(H), (b)(1), (b)(4).

⁵ Notice of Availability of National Transmission Needs Study, 88 Fed. Reg. 77,571 (Nov. 13, 2023) (Section 216(a), “as recently amended by section 40105 of the Infrastructure Investment and Jobs Act (IIJA), requires DOE to conduct a study of historic and anticipated future electric transmission capacity constraints and congestion every three years”); *see also* Notice of Availability and Request for Comment, 91 Fed. Reg. 42,429 (July 9, 2026) (“OE published the last study in October 2023”).

draft is the next study in the series. The Department describes it as the “nationwide triennial ‘study of electric transmission capacity constraints and congestion’” the statute requires, and states that it “will consider the results of its 2026 Needs Study and other information relating to electric transmission capacity constraints and congestion when issuing any final NIETC designation reports within the statutorily mandated three-year window.”⁶

The draft study defines need in the statute’s terms: “The definition of electric transmission need used in this study is consistent with FPA section 216(a)(1)–(2): the existence of present or expected electric transmission capacity constraints or congestion in a geographic area.” The draft study also disclaims any intent to choose remedies. “The purpose of this study is not to prescribe particular solutions to issues faced by the nation’s power sector, but rather to assess need in order for industry and the public to suggest the best possible solutions for addressing them in a timely manner.” And the study states that it “is not meant to displace these planning processes or the reliability standards they address.”⁷

The draft study’s historical chapters measure nine years of transmission investment and current congestion across twenty study regions. Its forward-looking chapters assemble the regional planners’ assessments of anticipated need and the national laboratories’ long-term modeling studies, and they find that “rapid load growth is a core driver of future transmission needs,” with load growth from data centers “a particular focus in the industry.”⁸ The Department published the draft for comment on July 9, 2026, with comments due September 8, 2026.

3. Prime Mover Institute’s comments

Prime Mover Institute is grateful for the Department’s draft study and respectfully requests that the Department consider these comments before finalizing it. Section 1 below describes consumer-regulated electricity and the other forms of behind-the-meter generation now serving some of the largest new loads in the country. Section 2 asks that the Department consider behind-the-meter generation for its forward-looking forecasts. Section 3 shows that load assumptions drive the need findings and requests that the Department consider impacts on load assumptions by behind-the-meter and consumer-regulated electricity.

⁶ U.S. Dep’t of Energy, *National Transmission Needs Study* at 1 (draft, July 2026) (Draft Needs Study).

⁷ Draft Needs Study at ii, iii, 2.

⁸ Draft Needs Study at 79.

COMMENTS OF PRIME MOVER INSTITUTE

1. Prime Mover Institute supports consumer-regulated electricity and other forms of behind-the-meter generation for large loads.

Consumer-regulated electricity refers to “private, physically islanded electric systems that serve large loads under direct contract, built and financed entirely by private capital.”⁹ The developer builds generation and the wires to deliver it to one or more commercial or industrial customers at a site or campus. The system has no connection to the transmission or distribution system, for primary supply or for backup. The developer and its customers set price, reliability, and service terms by contract and bear every dollar of capital and operating cost. Travis Fisher of the Cato Institute introduced the concept in 2024 and proposed it to the Commission in comments filed in November 2025.¹⁰ Prime Mover Institute supports the concept of consumer-regulated electricity and urges federal, regional, and state regulators to confirm that a physically islanded system serving identified customers under contract is not a public utility and is not subject to their jurisdiction while it remains islanded. Prime Mover made that request of the Commission in December 2025.

Legislatures have begun to confirm in statute that consumer-regulated electricity systems are not subject to state public utility regulation. New Hampshire was the first state to create a freestanding statutory category for these systems, in August 2025. It defines an “off-grid electricity provider” as one that “is not connected to any existing electric transmission or distribution system within the state for either primary or backup supply,” declares that such providers “are not public utilities,” and exempts them from the state’s public utility title.¹¹ Oklahoma had acted three months earlier by a narrower route, amending its definition of “public utility” to exclude an entity that produces electricity and furnishes it “on the premises directly to itself, an affiliate, or tenants.”¹² An islanded system is exempt; a system

⁹ Comments of Prime Mover Institute at 2, *Interconnection of Large Loads to the Interstate Transmission System*, Docket No. RM26-4-000 (FERC filed Dec. 10, 2025), eLibrary accession no. 20251210-5191 (PMI FERC Comments).

¹⁰ Travis Fisher, “What Would Consumer-Regulated Electricity Look Like?,” Cato at Liberty (Aug. 9, 2024), <https://www.cato.org/blog/what-would-consumer-regulated-electricity-look>; Comments of Travis Fisher, Cato Institute, *Interconnection of Large Loads to the Interstate Transmission System*, Docket No. RM26-4-000 (FERC filed Nov. 24, 2025), eLibrary accession no. 20251124-5131; PMI FERC Comments at 2.

¹¹ 2025 N.H. Laws ch. 285 (HB 672-FN), codified at N.H. Rev. Stat. Ann. § 374:3-c, I(a), II (effective Aug. 1, 2025).

¹² Okla. S.B. 480, 2025 Reg. Sess. § 1 (approved May 14, 2025) (amending Okla. Stat. tit. 17, § 151(B)).

that connects to the grid keeps its interconnection and registration obligations. In Texas, advocates have proposed the same concept under the name “Bring Your Own Power” (BYOP) ahead of the legislative session that convenes in January 2027.¹³

The American Legislative Exchange Council finalized a model state act in January 2026 that defines a consumer regulated electric utility as one operating “for the sole purpose of serving” “new industrial, commercial, data-center, or other nonresidential loads not previously served by any retail electric supplier,” on the condition that “the system is physically islanded from regulated utilities and the bulk electric system”¹⁴

At the federal level, S. 3585, the DATA Act of 2026, would amend the Federal Power Act to exempt a consumer-regulated electric utility from federal regulation “with respect to matters under the jurisdiction of the Federal Energy Regulatory Commission or the Secretary of Energy,” including all reliability standards, so long as it remains islanded; a utility that later connects to the grid for primary or backup supply loses the exemption at once.¹⁵ An identical House companion, H.R. 8400, was filed in April 2026.¹⁶

Developers are building some of the largest new loads in the country with behind-the-meter generation. In Mississippi, the Permit Board permitted a 1.2 GW gas-fired facility of 41 turbines to serve a single data center, and its minutes record that “‘behind-the-meter’ means any power generated by the proposed facility will not be exported to the electrical grid.”¹⁷

In Texas, the Texas Commission on Environmental Quality registered “two hundred and ten (210) new natural gas generators” in Shackelford County, “equivalent to 709 MW,” of which “197 of the 210 generators will be operating at

¹³ Glen Lyons, *One Way to Meet Texas Data Centers’ Needs: Bring Your Own Power*, Austin American-Statesman (May 6, 2026) (describing “Bring Your Own Power” as “the Texas version of CRE”).

¹⁴ American Legislative Exchange Council, *Act to Allow for Consumer Regulated Electric Utilities* § 2.A (finalized Jan. 6, 2026), <https://alec.org/model-policy/act-to-allow-for-consumer-regulated-electric-utilities/>.

¹⁵ S. 3585, 119th Cong. §§ 2(2), 4(a), 4(c) (2026) (referred to S. Comm. on Energy & Nat. Res., Jan. 7, 2026).

¹⁶ H.R. 8400, 119th Cong. (2026) (referred to H. Comm. on Energy & Commerce, Apr. 21, 2026).

¹⁷ Mississippi Dep’t of Env’tl. Quality, Permit Board Minutes 11 (Mar. 10, 2026) (MZX Tech, LLC, Air Ref. No. 0680-00119) (forty-one turbines, 1.2 gigawatts); *see also* MDEQ Final Permit 0680-00119, at 8–10 (listing units TUR-1 through TUR-41).

any given time,” to serve a data center campus that Oracle, its anchor tenant, describes as “powered by an onsite, behind-the-meter, gas-powered microgrid.”¹⁸

In Ohio, the Power Siting Board reports that in 2025 alone it “authorized the construction of, or had applications submitted for, over 2,000 MW of BTM dispatchable generation.” The first of those plants, Socrates South in New Albany, began operating in August 2026, “fully disconnected from the public power grid” and “currently delivering 200 MW” to a single data center customer, 17 months after its first siting filing. About three of those months were permitting; “the typical permitting timeline for natural gas projects in grid operator PJM is 7.4 years.” The plant was built under Ohio’s 2025 House Bill 15, a related but distinct approach that, in Fisher’s account, “provided the regulatory certainty that a fully off-grid generation plant could avoid the long queue for grid connection.”¹⁹

The share of new large load that behind-the-meter generation will serve is material and growing. Grid Strategies reports that “just 9% of planned data centers include on-site generation, but those projects represent one-third of the tracked capacity,” and that “[a]t least six GW-scale projects expected online by 2027 are planning on-site/co-located generation.”²⁰ The Commission’s staff wrote in March 2026 that “data centers are increasingly pursuing arrangements to power their operations with onsite generation. Yet, data centers also value reliable electricity and want to maintain their access to electricity from the bulk power system.”²¹ Regardless of how these issues shake out in the market, the study should explore these issues and examine trends.

Behind-the-meter generation takes three forms, each taking a different amount of service from the transmission system. The Commission has defined behind-the-meter generation as “a generating facility that delivers energy to load without

¹⁸ Tex. Comm’n on Env’tl. Quality, Electric Generating Unit Standard Permit Technical Review, Regulated Entity No. RN112247101 (VoltaGrid LLC, ABI-1, Shackelford County) (received July 14, 2025); Oracle Stargate fact sheet, as reported in *Oracle and OpenAI’s New Off-Grid Data Center in Texas to Run on 700MW Natural Gas Microgrid*, Construction Owners (Oct. 23, 2025).

¹⁹ Ohio Power Siting Board, *2025 Annual Report* at 3 (Chair’s message); Travis Fisher & Michael Abi-Nader, *Socrates South Shows the Benefits of Consumer-Regulated Electricity*, Cato at Liberty (Aug. 30, 2026), <https://www.cato.org/blog/socrates-south-shows-benefits-consumer-regulated-electricity> (“The Socrates South plant came online in just 17 months, with the first filings made with the Ohio Power Siting Board in March of 2025.”).

²⁰ Grid Strategies, *National Load Growth Report: Power Demand Forecasts Revised Up* at 11 (Nov. 2025).

²¹ FERC Staff, *2025 State of the Markets* at 9 (Mar. 2026).

using the transmission system or any distribution facilities.”²² Consumer-regulated electricity is the physically islanded form; it takes no service from the transmission system. Co-located load, as the Commission defines it, is “end-use customer load that is physically connected to the facilities of an existing or planned generating facility on the generator interconnection customer’s side of the point of interconnection to the RTO/ISO’s transmission system,” and it takes transmission service in parallel.²³ A third form takes only backup service. The final study should adopt the Commission’s definitions where the Commission has given them, define the backup-only form on the same basis, and discuss the recent trend toward physically islanded systems serving large loads.

Prime Mover’s position is that markets should decide how a large load is supplied. The President has endorsed the same approach. In January 2025 President Trump told business leaders that companies building AI facilities should “build your electric generating plant right next to your plant” rather than “hook into the grid,” and that his administration would allow them “to go on a very rapid basis” to do so.²⁴ Meeting the nation’s demand for power requires a new approach, “one that empowers markets to work alongside traditional utility service, unlocking the full potential of private investment and entrepreneurial innovation.”²⁵ Consumer-regulated electricity is one such approach: “While CRE is not the only answer, it illustrates how market-driven solutions can broaden our toolkit and challenge the status quo.”²⁶ What it offers is “the freedom for market participants to innovate, compete, and invest private capital to meet the nation’s energy needs.”²⁷

When large loads have been free to choose, many have chosen or are seriously exploring behind-the-meter generation, for speed and cost. Consumer-regulated electricity can be built faster than a grid interconnection can be studied. “CRE could deliver new capacity in months, not years,” while interconnection queues are “measured in years, not months”; as mentioned above, the first Ohio plant came online 17 months after its siting filing, compared to a typical permitting timeline of 7.4 years for natural gas projects in PJM.²⁸ It also puts the cost of new

²² *California Independent System Operator Corp.*, 195 FERC ¶ 61,214, at P 89 (2026).

²³ *California Independent System Operator Corp.*, 195 FERC ¶ 61,214, at P 88 (2026).

²⁴ Remarks to the World Economic Forum and a Question-and-Answer Session With Business Leaders, 2025 Daily Comp. Pres. Docs. No. 165 (Jan. 23, 2025), <https://www.govinfo.gov/content/pkg/DCPD-202500165/html/DCPD-202500165.htm>.

²⁵ PMI FERC Comments at 2.

²⁶ PMI FERC Comments at 2.

²⁷ PMI FERC Comments at 6.

²⁸ PMI FERC Comments at 1–2; Ohio Power Siting Board, *2025 Annual Report* at 3 (Chair’s message); Fisher & Abi-Nader, *supra*.

capacity on the customer who causes it. Under the traditional model, utilities spread the cost of network upgrades built for a new large load across all ratepayers. Consumer-regulated electricity “eliminates this cross-subsidy by requiring the beneficiaries of new infrastructure to pay for it directly through private contracts.”²⁹ If the load does not materialize, the loss falls on the private parties who financed it.

Prime Mover asked the Commission in December 2025 to confirm that an islanded consumer-regulated electricity system is outside the Commission’s jurisdiction and outside North American Electric Reliability Corporation (NERC) registration, and it asked the Commission to invite the Department to join in a policy statement so that states, developers, and investors have certainty.³⁰ Since then the Department has proposed, and the Commission has begun to adopt, a measure of large-load transmission service that fits the same framework (Section 3 below).

Prime Mover Institute renews the invitation it made to the Commission and asks the Department to join the Commission in a policy statement confirming that a physically islanded consumer-regulated electricity system serving identified customers is not a public utility under Part II of the Federal Power Act and is not subject to NERC registration or reliability standards while it remains islanded.

2. The draft study should state whether the forecasts of future load it adopts are net of behind-the-meter generation.

The draft study defines load as energy delivered by the transmission system, net of behind-the-meter generation, and it does so once, in Chapter IV, which weights transmission investment by “regional annual net load (load delivered by the transmission system, not including behind the meter generation).”³¹ The Supplemental Material explains the method: “[t]otal annual retail sales, measured in MWh (megawatt-hours), were used as annual load, which is the net energy consumed by each state and does not include any energy generated behind-the-meter, such as distributed rooftop solar. These energy values more accurately reflect the energy that must be delivered across the transmission system to end-use customers.”³²

²⁹ PMI FERC Comments at 3.

³⁰ PMI FERC Comments at 5.

³¹ Draft Needs Study at 27.

³² U.S. Dep’t of Energy, *National Transmission Needs Study: Supplemental Material* at 5 (draft, July 2026) (Supplemental Material). The Supplemental Material describes the regional load series as net of behind-the-meter generation. For the regions whose series is

The chapters discussing forward-looking demand never say whether the forecasts they adopt count load served by behind-the-meter generation. The draft study computes no forecast of its own. It draws its findings on future need from regional planners' forecasts and from national modeling studies and does not indicate whether load served by behind-the-meter generation is counted as load delivered by the transmission system. The national modeling studies state whether they count it. The National Renewable Energy Laboratory's (NREL's) 2024 Standard Scenarios, the source for Chapter VII, state that "[a]dditional drivers of electricity demand not explicitly modeled include data centers and increased manufacturing," and that "[a]ny announced or anticipated behind-the-meter generator investment is not reflected in this modeling."³³ The regional forecasts are likely no more precise. NERC's Large Loads Working Group reported in March 2026 that "many load forecasters do not obtain adequate information on behind-the-meter generation."³⁴

The staff report that the draft study cites for its data-center range also reports how the market is responding to that growth. Chapter VI reports that projected demand growth from data centers "will range from 13 to 55 GW by 2030," citing the Commission staff's 2024 State of the Markets report.³⁵ Two sentences after that range, the report says: "In response to expectations of rapid load growth from data centers, some market participants have sought new contractual arrangements to serve these customers, namely co-location," with a footnote describing a configuration one participant argued was "fully isolated from the grid."³⁶ The 2025 edition states the same point directly, in the sentence quoted in Section 1 above.³⁷ The draft study reports the range and does not mention the response.

The Department has already acknowledged that large-load forecasts are a moving target. Chapter VII qualifies the national modeling studies: "Long-term projections for many of these factors are rapidly evolving in 2026, such as expected

drawn from NREL's Standard Scenarios, NREL's own documentation does not describe its end-use load as net of behind-the-meter generation. *See* National Renewable Energy Laboratory, *2024 Standard Scenarios Report* 46, 55 (Dec. 2024). That is one more reason to state the basis.

³³ National Renewable Energy Laboratory, *2024 Standard Scenarios Report: A U.S. Electricity Sector Outlook* 46, 55 (NREL/TP-6A40-92256, Dec. 2024).

³⁴ NERC Large Loads Working Group, *Assessment of Gaps in Existing Practices, Requirements, and Reliability Standards for Emerging Large Loads* at 9 (Mar. 2026).

³⁵ Draft Needs Study at 81.

³⁶ FERC Staff, *2024 State of the Markets* at 7 & n.15 (Mar. 2025). The footnote describes a co-located load configuration "that Constellation argues is fully isolated from the grid."

³⁷ FERC Staff, *2025 State of the Markets* at 9 (Mar. 2026).

load growth driven by large loads and data centers. Consequently, the nationwide modeling studies published at the time of writing this report may not accurately reflect the current landscape of future energy markets.”³⁸ Prime Mover Institute agrees. The Executive Summary finds that planning entities “are seeing future transmission needs primarily driven by load growth,” and Chapter VI.e draws the same conclusion from the regional plans; both rest on the same class of large-load forecast, and neither says how that forecast treats behind-the-meter generation.³⁹ For each forecast the study adopts, the final study should state whether load served by behind-the-meter generation is counted as load delivered by the transmission system, as the study already states for its historical figures.

The draft study recognizes that generation at a large load reduces transmission need, and Prime Mover urges the Department to carry that recognition into its need findings. The draft study says so in three places, in Chapter III’s discussion of congestion, in Chapter V’s report of the New York Independent System Operator’s (NYISO’s) observation about large loads and congestion, and in Chapter VI’s report of the Public Service Company of New Mexico’s reliability alternatives.⁴⁰ The final study should deepen its discussion of behind-the-meter and islanded grids and treat generation sited at or near load, including behind-the-meter generation serving large loads, as an alternatives to new transmission.

3. Consumer-regulated electricity would reduce load growth and transmission need findings.

Changes in load forecasts have a significant impact on need findings. Load that a planner forecasts as delivered by the transmission system and a developer then serves with behind-the-meter generation leaves the forecast the same way a downward revision does, and the effect on a need finding can be large. Consider two examples in the draft study. In New England, the draft study reports ISO New England’s (ISO-NE’s) finding that “[t]ransmission expansion costs are estimated

³⁸ Draft Needs Study at 83; *see also id.* at vi (Executive Summary) and 79 (Chapter VI.e).

³⁹ Draft Needs Study at vi (Executive Summary).

⁴⁰ The Department does address the point. Chapter III states that “[r]educing load or increasing generation on the load side of a constraint will have a similar effect in reducing congestion costs” as a transmission investment that removes the constraint. Draft Needs Study at 18. Chapter V reports NYISO’s observation that “anticipated large loads in upstate New York may help to decrease local transmission congestion and curtailment in intermittent generation pockets.” *Id.* at 48. Chapter VI reports that the Public Service Company of New Mexico’s reliability alternatives “may involve investing in new load-side resources, new transmission infrastructure, or a combination of the two.” *Id.* at 76. Prime Mover urges the Department to go further and carry each of these into the need findings that rest on large-load forecasts.

to be nearly \$25 billion with a 2050 peak load of 57 GW but would drop to \$15 billion if the peak load can be managed down to 51 GW.”⁴¹ A 6 GW change in peak load, about 11 percent, moves the estimated cost by 40 percent. In New York, the draft study reports that NYISO’s 2025 forecast “shows slower adoption rates for electrification technologies and therefore 200 MW less demand, which is enough to eliminate this reliability need identified in the 2024 RNA.”⁴² A 200 MW revision erased a need finding.

One was a scenario comparison. The other was a routine forecast revision. The assumption these comments concern moves need by more than either. Load that a planner forecasts as delivered by the transmission system and a developer then serves with behind-the-meter generation leaves the forecast the same way a downward revision does. The Mississippi facility in Section 1 alone is six times the revision that eliminated NYISO’s need. The draft study treats gas prices, resource mix, and retirement schedules as inputs that deserve sensitivity analysis, and the assumption about how large load is served belongs on that list. Where a need finding depends on large-load growth, the final study should state its assumption about the share of that load served by behind-the-meter generation and present the finding as a range that reflects it.

The Department has already told the Commission how to measure a large load’s transmission need, by the service the load takes from the system. On October 23, 2025, the Secretary directed the Commission under Section 403 of the Department of Energy Organization Act to open a rulemaking on the interconnection of large loads and proposed the principles that should govern it. Under that proposal, the Department measures a large load’s transmission obligation by its withdrawal rights, because that figure “reflects the quantity of capacity and energy that is being transmitted across the transmission system to the load.”⁴³ The Department explained that this design “provides incentives for co-location with new generation facilities and ensures efficient buildout of the transmission system.”⁴⁴

On June 18, 2026, the Commission directed every regional transmission organization to show cause why its tariff should not provide large-load transmission service on that basis, finding that “new transmission services should be available to reflect the operational reality that large loads may use the

⁴¹ Draft Needs Study at 67.

⁴² Draft Needs Study at 69.

⁴³ Letter from Chris Wright, Secretary of Energy, to the Federal Energy Regulatory Commission, and Proposed Rule, *Interconnection of Large Loads to the Interstate Transmission System* (Oct. 23, 2025), at P 28 (ANOPR).

⁴⁴ ANOPR at P 22; *see also id.* at P 20.

transmission system to differing extents’’.⁴⁵ Those proceedings are in abeyance for ninety days, to November 16, 2026, so that the regional transmission organizations and their transmission owners can develop filings under Section 205 of the Federal Power Act; the Department’s rulemaking docket remains open.⁴⁶

The final study should measure large-load need in withdrawal rights. That is the unit the Department proposed to the Commission, and the unit the Commission has preliminarily found should be available for service. It is a capacity figure, so it fits the peak and reliability findings that the draft study’s annual-energy definition of load does not reach. A physically islanded system takes nothing from the transmission system. Co-located load takes what it contracts for. Load with only backup service takes its backup right. The final study should count each accordingly, and the study should clarify where the figure is not available for a forecast the study adopts.

⁴⁵ *PJM Interconnection, L.L.C.*, 195 FERC ¶ 61,211, at P 86 (2026). Parallel orders issued the same day to SPP, MISO, NYISO, ISO-NE, and CAISO.

⁴⁶ *PJM Interconnection, L.L.C.*, 196 FERC ¶ 61,129 (2026) (letter order granting abeyance); *see also* the parallel abeyance orders in Docket Nos. EL26-68 through EL26-72 (Aug. 14, 2026).

CONCLUSION

An inflated transmission need estimate may become transmission that ratepayers must pay for.

Ratepayers who did not create a need pay for the transmission built to meet it. Prime Mover Institute is respectfully concerned that a report that does not account for behind-the-meter generation could provide a factual basis for unneeded transmission either through a transmission corridor or new state plans that reference the study.⁴⁷ The study's findings "are intended to inform regional and interregional planning, as well as help guide the Department in the execution of its transmission-related authorities," and regional planners preparing long-term plans under the Commission's Order No. 1920, its regional transmission planning and cost allocation rule, as modified on rehearing by Order No. 1920-A, will draw on it.⁴⁸

Prime Mover Institute urges the Department to finalize the study after taking into consideration the impacts of behind-the-meter and consumer-regulated energy arrangements. The report's forward-looking findings assume that every new large load will be delivered by the transmission system, but many will not be. Data centers are building their own generation, and the final study should show how much of the forecast load will never use the grid. The final study should ask. It should say where each forecast draws the line, measure large-load need in withdrawal rights, and treat generation built at the load as an alternative to new transmission. Prime Mover Institute thanks the Department for the opportunity to comment.

⁴⁷ 16 U.S.C. § 824p(a)(2); Draft Needs Study at 2 (the study's findings "are intended to inform regional and interregional planning").

⁴⁸ Draft Needs Study at 2 & n.7 (citing Order No. 1000, 136 FERC ¶ 61,051, and Order No. 1920-A, 189 FERC ¶ 61,127).