NEWS RELEASE
Aug. 7, 2025

For Immediate Release, Contact:
Comm. Jill Kringstad, (701) 328-2400
Comm. Randy Christmann, (701) 328-2400
Comm. Sheri Haugen-Hoffart, (701) 328-2400

North Dakota PSC Files Complaint with Federal Energy Regulatory Commission Regarding Transmission Project Planning

BISMARCK, ND – The North Dakota Public Service Commission (NDPSC) last week filed a complaint with four other states at the Federal Energy Regulatory Commission (FERC). State utility regulators from North Dakota, Arkansas, Louisiana, Mississippi and Montana are challenging the metrics used to select projects for Midcontinent Independent System Operator's (MISO's) long-range transmission planning projects, known as "Tranche 2.1."

"Transmission costs are rapidly becoming a large portion of utility customer bills, and their costs need to be carefully scrutinized," said Commissioner Jill Kringstad, who holds the MISO liaison portfolio. "I recognize the importance of transmission infrastructure, but it must be a prudent investment that balances affordability with the long-term needs of the grid."

Each year, MISO is required to develop a transmission expansion plan that identifies upgrades that need to be made in the electric transmission system in order to maintain reliability. In December 2024, MISO – the entity that manages the electric grid for much of the Midwest, including portions of North Dakota – unveiled a group of electric transmission upgrades consisting of 24 different projects with an estimated cost of nearly $22 billion. In the complaint filed with FERC, the NDPSC and other state regulators say the benefits calculations used for the projects are overstated and the costs are unjust and unreasonable to North Dakota utility customers.

"MISO has provided weak justification for these projects, but they will lead to massive cost increases for North Dakotans," said Commission Chair Randy Christmann. "Overturning MISO's decision will protect North Dakotan consumers from this egregious maneuver."

In the complaint, the five state commissions have asked FERC to conclude that MISO made an error by advancing projects that will cost more than they're worth.

Specific concerns outlined in the complaint include:

- Absent the tranche 2.1 projects, there are numerous options available for utilities to ensure reliable service to their customers. However, MISO assumes the worst-case scenario in their cost/benefit calculation regarding load shedding. This approach inflates costs by assuming extreme scenarios that are unlikely under typical grid and utility planning.

- MISO gives a benefit to the projects for meeting carbon reduction goals, but the complaint asserts that the value given is highly overstated. MISO has adopted a carbon value that is not the result of a law and does not reflect the varied carbon policies of its member states.
- MISO inserted resources into its modeling based on technology that currently does not exist but is expected to be in service by 2027.

"While I support robust regional transmission planning, I strongly oppose any cost allocation framework that compels states to subsidize transmission projects driven by other states' public policy goals," said Commissioner Sheri Haugen-Hoffart. "If a state chooses to pursue ambitious decarbonization targets, it should also bear the financial responsibility for the infrastructure required to meet those goals. Anything less undermines the principle of just and reasonable rates and imposes unfair financial burdens on ratepayers in states that have not adopted such policies."

The NDPSC says that these concerns were brought up to MISO throughout the stakeholder process without adequate resolution, resulting in the need for the complaint. In the complaint, the state commissions are asking FERC to find that MISO and its board violated its FERC approved tariff and that the classification of the projects in Tranche 2.1 should be reconsidered. Parties have 20 days from the date of the filing to file an initial response or request an extension with FERC.

Note to reporters, a copy of the complaint and associated exhibits can be found using this link to the FERC docket: https://elibrary.ferc.gov/eLibrary/filelist?accession_number=20250730-5091.

The North Dakota Public Service Commission is a constitutionally created state agency with authority to permit, site and regulate certain business activities in the state including electric and gas utilities, telecommunications companies, power plants, electric transmission lines, pipelines, railroads, commercial weighing devices, pipeline safety and coal mine reclamation. For more information, contact the Public Service Commission at (701) 328-2400 or www.psc.nd.gov.

###

Find us on X: x.com/NDPSC or @NDPSC