2026 Planning Cycle

Transmission Needs Driven by Public Policy Requirements

The Southeastern Regional Transmission Planning (SERTP) process received seven (7) stakeholder proposals of possible transmission needs driven by Public Policy Requirements (PPR) for the 2026 planning cycle. A description and assessment of each proposal is explained below.

Stakeholder Proposal #1

Description

- **Proposed By:** Southern Alliance for Clean Energy

- **Proposed PPR(s):**
  1. Executive Order 14318 Accelerating Federal Permitting of Data Center Infrastructure
  2. Executive Order 14302 Reinvigorating the Nuclear Industrial Base
  3. Executive Order 14300 Ordering the Reform of the Nuclear Regulatory Commission
  4. State of Tennessee Executive Order 101
  5. Public Law 119-21- One, Big, Beautiful Bill specifically, amendments to Section 48E(e) and the Section(C) Exception which states that "this paragraph shall not apply with respect to any energy storage technology which is placed in service at any applicable facility."

- **Possible Transmission Need:**
  Study the transmission investments necessary to accommodate Qualifying Projects (100 MW incremental load) from Executive Order 14318, using superfund, brownfield, and military installations in the SERTP region as sites for said incremental load. In order to meet this demand, also study transmission necessary to support the capacity additions of:
  1. Nuclear facilities or reactors in the SERTP region for which construction was partially completed or prematurely suspended as described in EO 14302 and EO 14300 (examples could include units Bellefonte, W.S. Lee, and additional units at Vogtle and/or other existing operational nuclear sites).
  2. TVA's Clinch River Small Modular Reactor achieving commercial operation in 2032, a commitment announced by TVA in October 2025; TVA leadership has announced plans for up to 10 additional SMRs after the initial one at Clinch River: page 68 of TVA's 2025 10-K released November, 2025, states that "TVA is exploring the feasibility of applying a similar approach that could deploy additional SMRs at Clinch River and other TVA-owned properties."
  3. Battery storage additions that account for full utilization of the 48E investment tax credit through 2033 and its phase out by 2036.

  In short, study the transmission necessary to connect battery storage and nuclear to meet increased demand resulting from Executive Order 14318 that is not accounted for in the current Order 1000 planning cycle.

Summary of Assessment:

FERC has limited PPRs to public policy requirements established by "enacted statutes (i.e., passed by the legislature and signed by the executive) and regulations promulgated by a relevant jurisdiction, whether within a state or at the federal level."[i] Thus, the Executive Orders referenced in this submission are not "public policy requirements" as defined by FERC. Please note that if certain government efforts, such as the Executive Orders identified here, result in load changes, those changes would be reflected in State Public Service/Utility Commission or Board of Directors IRP or similar processes and would inform the SERTP 10-Year Transmission Plan as all necessary information becomes available.

The One, Big, Beautiful Bill does not require or direct transmission owners or providers to take specific action related to utilizing tax credits for energy storage; therefore, no transmission needs for this proposed PPR have been identified for further evaluation in the 2026 transmission planning cycle. The SERTP Sponsors would clarify that tax incentives on generation resources would be accounted for in our State Public Service/Utility Commission or Board of Directors IRP or similar processes and would inform the SERTP 10-Year Transmission Plan as all necessary information becomes available.

Stakeholder Proposal #2

Description

- **Proposed By:** Southern Alliance for Clean Energy
- **Proposed PPR(s):**
    1. Public Law 119-21- One, Big, Beautiful Bill specifically, amendments to Section 48E(e) and the Section(C) Exception which states that "this paragraph shall not apply with respect to any energy storage technology which is placed in service at any applicable facility."
- **Possible Transmission Need:**
  Study the transmission necessary to support SERTP utilities fully utilizing the 48E investment tax credit for battery storage through 2033 and its phase out by 2036.

Summary of Assessment:

The One, Big, Beautiful Bill does not require or direct transmission owners or providers to take specific action related to utilizing tax credits for energy storage; therefore, no transmission needs for this proposed PPR have been identified for further evaluation in the 2026 transmission planning cycle. The SERTP Sponsors would clarify that tax incentives on generation resources would be accounted for in our State Public Service/Utility Commission or Board of Directors IRP or similar processes and would inform the SERTP 10-Year Transmission Plan as all necessary information becomes available.

Stakeholder Proposal #3

Description

- **Proposed By:** Southern Renewable Energy Association

- **Proposed PPR(s):**
  1. State Certificates of Public Convenience and Necessity, and the like, are public policy. State and federal statutes require utilities to request and receive approvals prior to constructing new generation resources, including but not limited to:
     - Alabama Code § 37-4-28
     - Georgia GA Code § 46-3A-4
     - Kentucky KRS 278.020, KRS 278.216, KRS 278.300
     - Mississippi MS Code § 77-3-12
     - North Carolina NC Code § 62-110
     - South Carolina SC Code § 58-27-1230
     - Tennessee Valley Authority Act of 1933 (16 U.S.C. ch. 12A)

     To the extent that any recent CPCN or TVA plans have been submitted to the relevant regulatory bodies, and approved, those new generation resources should be included in the SERTP plans.

- **Possible Transmission Need:**
  Utility CPCNs include generator additions that may necessitate generator interconnection network upgrades, regional, and potentially interregional transmission upgrades.

Summary of Assessment:

Obligations for utilities to file/submit State Certificates of Public Convenience and Necessity do not drive transmission needs; the statutes identified merely create a filing obligation, or for some sponsors create a planning obligation, and do not direct any particular generation in any particular location that that would impact transmission needs. Resources identified in a CPCN Order will be incorporated into the SERTP 10-Year Transmission Plan as determined to be appropriate by the individual SERTP Sponsors in accordance with their transmission planning procedures. As outlined in the interactive training presented at the SERTP meeting on March 19, 2024, SERTP develops base case models annually in June, with updates in August, and December. Timing of model inputs vary based on model updates that occur throughout the SERTP Planning Cycle. Models include the most up to date transmission information within the SERTP region and are posted to the SERTP Secure Area SharePoint site for stakeholder use.

Stakeholder Proposal #4

Description

- **Proposed By:** Southern Renewable Energy Association

Proposed PPR(s):

1. Executive Order 14299 Deploying Advanced Nuclear Reactor Technologies for National Security
2. Executive Order 14300 Ordering the Reform of the Nuclear Regulatory Commission
3. Executive Order 14301 Reforming Nuclear Reactor Testing at the Department of Energy
4. Executive Order 14302 Reinvigorating the Nuclear Industrial Base

- **Possible Transmission Need:**
  Public policies that support nuclear generation can create transmission needs by increasing the likelihood of nuclear uprates, life extensions, advanced reactor deployments, and nuclear-supported industrial or defense loads, which change where power is produced and how it flows across the bulk electric system. These policies may result in increased or new generation injections at existing nuclear sites, shifts in regional power flow patterns, and greater reliance on large, steady baseload resources operating for extended durations, requiring evaluation of deliverability, thermal loading, voltage performance, and system stability. In addition, nuclear-related industrial development or co-located critical infrastructure may create new or intensified load pockets, necessitating assessment of import capability, transformation capacity, redundancy, and contingency performance.

Summary of Assessment:

FERC has limited PPRs to public policy requirements established by "enacted statutes (i.e., passed by the legislature and signed by the executive) and regulations promulgated by a relevant jurisdiction, whether within a state or at the federal level."[ii] Thus, the Executive Orders referenced in this submission are not "public policy requirements" as defined by FERC. Please note that if certain government efforts, such as the Executive Orders identified here, result in load changes, those changes would be reflected in State Public Service/Utility Commission or Board of Directors IRP or similar processes and would inform the SERTP 10-Year Transmission Plan as all necessary information becomes available.

Stakeholder Proposal #5

Description

- **Proposed By:** Southern Renewable Energy Association

- **Proposed PPR(s):**
  1. State Laws related to Integrated Resources Planning processes
     - 39 Miss. Code. R. 1-29-104
     - Chapter 29 of the Mississippi Public Service Commission's Public Utility Rules of Practice and Procedure
     - Rule 515-3-4 of the Georgia Public Service Commission's General Rules
     - 807 KAR 5:058
     - NC G.S. 62-2(3a)
     - G.S. 62-110.1
     - GA Code § 46-3A-2
       1) Georgia Public Service Commission Rule 515-3-4-.04(2)(a) states as follows:

       "The utility shall identify and fully describe all potential new utility electric plant options and transmission facilities options for meeting future demand. To the extent practicable and economically feasible, the options considered shall include all technologies and designs which are expected to be available within the twenty-year planning period, either on a commercial scale or on a demonstration scale. The utility shall also fully describe all new electric plant and transmission facilities options available to the utility enterprise to the extent that these resources affect supply-side resources available to the utility."
  2. Tennessee laws that impact TVA IRP processes
     - National Environmental Policy Act of 1969
     - 42 U.S.C. § 4321 et seq.
     - Tennessee Valley Act of 1933

- **Possible Transmission Need:**
  Utility IRPs include resource planning assumptions that affect transmission needs, including transmission plans and analyses, generator retirements, generator replacements, generator additions, and load growth forecast changes.

  For example, Georgia Public Service Commission Rule 515-3-4-.04.(2)(c)(4) requires Georgia Power to file the following information: "A Section that summarizes the results of the long-term analyses of the transmission network by year for the next ten years which would include at least the following:
     i. An overview of the existing integrated transmission system ("ITS") plan for Georgia as a whole and by regions within the State, including interfaces.

ii. A ten year study of all regional interfaces and their import and export capabilities as defined in the applicable NERC/SERC guidelines, as well as plans for future interconnections and improvements to existing interconnections.

iii. A ten year plan by year with details of all approved budgeted projects including discussions of the problems, alternatives and the final solutions as well as all forecasted projects including discussions of the problems and proposed solutions. Details of all approved budgeted projects shall include at least the following:
   a. the expected termination points and length for each new transmission line;
   b. identification of existing transmission facilities planned for upgrade, rebuilding or retirement;
   c. the expected design voltage, capacity and in-service date for each new, upgraded or rebuilt transmission facility;
   d. the approximate cost of each planned expansion or alteration to the transmission network.

iv. A list of all transmission projects proposed for the 500 kV, 230 kV and 115 kV systems, by year for the next 10 years."

Summary of Assessment:

Obligations to file/submit Integrated Resource Plans for review do not create transmission needs; the statutes and regulations merely create a filing obligation, or for some sponsors create a planning obligation, and do not direct any particular generation in any particular location that that would impact transmission needs. Resources identified through the IRP process are incorporated into the SERTP 10-Year Transmission Plan as determined to be appropriate by the individual SERTP Sponsors in accordance with their transmission planning procedures. As outlined in the interactive training presented at the SERTP meeting on March 19, 2024, SERTP develops base case models annually in June, August, and December. Models include the most up to date transmission information within the SERTP region and are posted to the SERTP Secure Area SharePoint site for stakeholder use. Resources identified in this submission will be reflected in the SERTP base case models as the detailed modeling information is provided by the Load Serving Entity.

Stakeholder Proposal #6

Description

Proposed By: Southern Renewable Energy Association

- **Proposed PPR(s):**
  1. Executive Order 14318 Accelerating Federal Permitting of Data Center Infrastructure
  2. State Sales and Use Tax Laws
     - O.C.G.A. § 48-8-3(47)
     - N.C. Gen. Stat. § 105-164.13(5q)
     - S.C. Code Ann. § 12-36-2120(51)
     - Tenn. Code Ann. §§ 67-6-206(a)(2), 67-6-206(b)(3)
     - Ky. Rev. Stat. § 139.538
     - Ala. Code §§ 40-9B-1
     - Miss. Code Ann. § 27-65-101(1)(r)
     - Mo. Rev. Stat. §§ 144.810–144.818)

- **Possible Transmission Need:**
  Public policies that provide tax incentives, expedited permitting, or preferential siting for data centers can drive transmission needs by making very large, concentrated electric loads—often exceeding 100 MW—reasonably foreseeable within a short development timeline. These policies can create new or intensified load pockets in areas that were not planned to serve sustained, around-the-clock demand at that scale, requiring evaluation of import capability, transformer capacity, voltage support, and contingency performance. Because data centers require extremely high reliability, such policies may also necessitate analysis of redundancy, multiple high-voltage supply paths, and resilience under N-1 and N-1-1 conditions. In addition, the speed at which data centers can be permitted and constructed may outpace traditional transmission planning assumptions, potentially requiring planners to assess whether the existing network can accommodate rapid load growth without degrading system reliability, increasing congestion, or shifting power flows in ways that stress the bulk electric system.

  SERTP utilities have relied on imports during major weather events. For example, during Winter Storm Uri in 2021, TVA relied on imports to meet load. In 2022, during Winter Storm Elliott, Southern Company also had to rely on imports. In January 2026, TVA again imported power during Winter Storm Fern. Adding significant load to the system would likely increase the need for regional transmission to fortify SERTP utilities against future weather events.

Summary of Assessment:

FERC has limited PPRs to public policy requirements established by "enacted statutes (i.e., passed by the legislature and signed by the executive) and regulations promulgated by a relevant jurisdiction, whether within a state or at the federal level."[iii] Thus, the Executive Order referenced in this submission is not a "public policy requirement" as defined by FERC. Please note that if certain

government efforts, such as the Executive Order identified here, result in load changes, those changes would be reflected in State Public Service/Utility Commission or Board of Directors IRP or similar processes and would inform the SERTP 10-Year Transmission Plan as all necessary information becomes available.

The public policies referenced in this submission do not drive or direct transmission needs; therefore, no transmission needs for this proposed PPR have been identified for further evaluation in the 2026 transmission planning cycle.

Stakeholder Proposal #7

Description

- **Proposed By:** Southern Renewable Energy Association
- **Proposed PPR(s):**
  1. North Carolina Session Law 2021-165 and relevant amendments from SB 266
- **Possible Transmission Need:**
  The carbon-reduction requirements in Session Law 2021-165 are expected to drive material changes in the type, location, and timing of electric resources, which in turn may necessitate new or upgraded transmission solutions to maintain reliability and minimize total system costs.

Summary of Assessment:

The proposed PPRs are enacted state laws specific to North Carolina. As such, in the context of the SERTP Sponsors, the proposed PPRs are primarily applicable to Duke Energy. Under SB 266, the interim carbon reduction target has been eliminated. The remaining net neutrality by 2050 target does not drive regional transmission needs. Duke's local transmission plans adapt to changing laws and given the inclusion of the local transmission plan in the SERTP process, no additional transmission needs for the proposed PPR have been identified for further evaluation.

[i] Order No. 1000-A, Paragraph 319. OrderNo.1000-A.pdf (ferc.gov)

[ii] Order No. 1000-A, Paragraph 319. OrderNo.1000-A.pdf (ferc.gov)

[iii] Order No. 1000-A, Paragraph 319. OrderNo.1000-A.pdf (ferc.gov)