

Energy Law: Month in Review - November 2025

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Welcome to Dorsey's Energy Law: Month in Review for November 2025. We provide this update to our clients to identify significant developments in the previous month. Please reach out to any of the authors, listed above, to discuss these issues.

LITIGATION AND DISPUTES

Related Capabilities

- Energy & Natural Resources
- Electric Power
- Environmental, Social, Governance (ESG)
- Sustainability

PacifiCorp Reaches Settlement to Pay \$150M to Survivors of Labor Day 2020 Wildfires in Oregon

[PacifiCorp](#) announced on November 19, 2025, that it reached a \$150 million settlement with 1,434 plaintiffs associated with the Labor Day 2020 wildfires in Oregon. According to PacifiCorp, this settlement adds onto the \$1.6 billion in settlement payments to which PacifiCorp has agreed, for nearly 4,200 wildfire claims since 2020. PacifiCorp states it has settled approximately 70 percent of the individual claims for wildfire damages in California and Oregon since 2020.

FERC Declines to Enter Illinois ROFR Debate

The Federal Energy Regulatory Commission (FERC) issued an order declining to issue an order requested by Ameren declaring that it is for Illinois state courts, not FERC, to decide whether incumbent utilities in Illinois have a right of first refusal (ROFR) to build new, regionally planned transmission projects in the state under state courts' "first-in-the-field doctrine." FERC noted that whether incumbent utilities have a ROFR is a matter of state law. FERC also noted that Ameren was seeking a declaration in state court and FERC did not want to "inappropriately interfere with the Illinois courts' consideration of

Ameren's arguments in the state action.”

REGULATORY DEVELOPMENTS

FERC Approves SPP OATT Priority Process for Incremental Capacity Additions

On November 28, 2025, FERC approved Southwest Power Pool's (SPP) proposed revisions to its Open Access Transmission Tariff to establish an accelerated study process (the “Priority Process”) to allow for incremental capacity additions (up to 20%) at existing generating facilities at their existing interconnection point, for projects demonstrating they can meet certain financial commitments, be online within five years, and have ordered all major equipment needed for the expansion and that equipment can be delivered by the planned commercial operation date. A generator can only use the process once per facility. In the same order, FERC rejected SPP's proposal to allow certain retired generating facilities to be eligible for the Priority Process, as well as SPP's proposal to allow Priority Projects to be queued ahead of other interconnection requests.

Multiple Jurisdictions Proceed with Rules for Large-Load Customers.

Kansas, Michigan, and Virginia recently adopted rules governing large-load customers. FERC, Delaware, and Pennsylvania are considering such rules.

Kansas. The Kansas Corporation Commission approved a settlement agreement between certain Kansas utility companies, environmental non-profit organizations, Google, multiple school districts, and other industrial and commercial parties to establish a “large load power service rate plan” for new facilities with peak load of 75 MW or greater. Customers under such “large load power service rate plan” must pay a minimum monthly demand charge of 80% of their annual peak load, and must also pay for any transmission and substation upgrades necessary to serve their facilities.

Michigan. The Michigan Public Service Commission approved rules for new data centers and other large load customers with loads larger than 100 MW that require such customers to pay 80% of expected monthly demand and demonstrate that they are not being subsidized by other customers.

Virginia. Virginia's Corporation Commission similarly approved the creation of a new rate class for large customers demanding 25 MW or more and requiring such customers to

pay at least 85% of contracted distribution and transmission demand, and 60% of generation demand.

Delaware. Delaware legislators are considering a bill (SB 205) to require the Delaware Public Service Commission to issue a certificate to operate for new loads larger than 30 MW and to require such loads to procure generation to meet their needs and cover costs related to their transmission needs.

Pennsylvania. The Pennsylvania Public Utilities Commission (PAPUC) is evaluating a statewide model tariff to guide how load customers connect to the grid and share costs, with the public comment period on the PAPUC's recent tentative order for said tariff open until December 22.

FERC. FERC has an open rulemaking considering the U.S. Department of Energy's (DOE) proposal to set rules for interconnecting large loads to the transmission system, for which a final rule is expected in April 2026. DOE envisions any rule: defining large loads as loads of at least 20 MW, (2) applying only to large loads interconnected to the transmission system, and (3) requiring large loads to be responsible for 100 percent of network upgrade costs.

FERC Approves Amazon Data Center Transmission Agreement in Pennsylvania

FERC approved a transmission service agreement between Amazon Data Services and Exelon's PECO Energy, which details how Amazon will pay for grid upgrades needed in connection with a new Pennsylvania data center. In its approval order, FERC rejected calls by some to assess how the data center could affect grid reliability and capacity and energy costs for ratepayers. FERC explained that such issues were outside the scope of the proceeding.

FERC Rejects Kentucky Complaint Over "Self-Planned" AEP Transmission

Projects

FERC dismissed a complaint made by the Kentucky Public Service Commission and the Kentucky attorney general that had alleged American Electric Power (AEP) was causing Kentucky Power ratepayers to pay for “self-planned” transmission projects built by AEP utilities that don’t benefit ratepayers. FERC determined that the complainants failed to show that AEP’s cost-allocation framework was unjust or discriminatory, noting that costs must be allocated to ratepayers in a way that roughly matches benefits, and that evaluation of a limited set of projects does not establish an overall unjust allocation.