

**BEFORE THE
PUBLIC SERVICE COMMISSION OF WISCONSIN**

Application of Midcontinent Grid Solutions Wisconsin,
LLC for Authority to Become an Electric Public Utility

Docket No: 2708-NC-100

**APPLICATION OF MIDCONTINENT GRID SOLUTIONS WISCONSIN, LLC,
FOR A CERTIFICATE OF AUTHORITY TO OPERATE AS
A PUBLIC UTILITY IN WISCONSIN**

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1. EXECUTIVE SUMMARY

1.1 Introduction

Midcontinent Grid Solutions Wisconsin, LLC (MGS Wisconsin) submits this filing to the Public Service Commission of Wisconsin (PSCW or Commission) in support of its Application for a Certificate of Authority (CA) pursuant to Wis. Stat. § 196.49(1)(am). MGS Wisconsin is a Wisconsin limited liability company created to develop, construct, and own the approximately 190-mile, 765 kV Bell Center-Columbia-Sugar Creek-IL/WI State Line transmission project (Project), which will run from southwestern Wisconsin through southcentral Wisconsin to the Wisconsin-Illinois border. MGS Wisconsin is a joint venture between Transource Energy, LLC (Transource) and BHE U.S. Transmission, LLC (BHE Transmission).

Transource is a transmission development affiliate of the publicly traded electric utility holding companies American Electric Power Company, Inc. (AEP) and Evergy, Inc. (Evergy).¹ Through its parent companies, Transource leverages over one hundred years of experience in planning, constructing, and operating transmission systems in the United States.² AEP operates the country's largest electricity transmission system, comprising nearly 40,000 miles of transmission lines, 225,000 miles of distribution lines, and produces approximately 31,000 megawatts of generating capacity.³ Evergy owns 10,700 miles of transmission lines and serves over 1.6 million customers in Kansas and Missouri. This experience enabled Transource to develop various projects, including constructing and operating the Valley Link Transmission project, comprising a 260-mile, 765 kV line and two substations from Putnam County, West Virginia to

¹ Transource Energy, LLC, *About Us*, <https://www.transourceenergy.com/about/> (last accessed Mar. 26, 2026).

² *Id.*

³ *Id.*

Frederick County, Maryland; a 115-mile, 765 kV line and substation from Campbell County to Culpeper County, Virginia; and a new substation in Caroline County, Virginia.⁴

BHE Transmission is a transmission development affiliate of Berkshire Hathaway Energy Company (BHE). BHE's \$148 billion (total assets) portfolio consists of locally managed businesses that share a vision for a secure and sustainable energy future. These businesses deliver low-cost, safe, and reliable service each day to 13 million customers and end-users throughout the U.S., Great Britain and Alberta, Canada.

Transource and BHE Transmission bring substantial transmission development experience to Wisconsin and have successfully partnered on prior joint ventures. Through their partnership in Electric Transmission Texas, LLC (ETT), the companies had approximately \$4 billion in transmission assets in service as of December 2025, including roughly 2,100 miles of transmission lines and 51 wholly owned substations. Prairie Wind Transmission, another joint venture between the two companies, operates a 108-mile, 345 kV transmission project in Kansas.⁵

The Project is part of the Midcontinent Independent System Operator, Inc. (MISO) Transmission Expansion Planning (MTEP).⁶ MTEP aims to enhance regional reliability, support delivery of renewable energy, and deliver energy cost-effectively throughout the MISO footprint. On January 6, 2026, MISO, under a competitive bidding process, selected Transource to develop, own, and construct the Project.⁷ MISO selected Transource because of its demonstrated 765 kV capabilities, reasonable cost estimates, and reasonable cost containment.⁸

⁴ Transource Energy, LLC, *Valley Link Transmission*, <https://www.transourceenergy.com/projects/ValleyLink/> (last accessed Mar. 26, 2026).

⁵ BHE U.S. Transmission, <https://www.bhetransmission.com/> (last visited Mar. 26, 2026).

⁶ MISO, *Selection Report: Bell Center-Columbia-Sugar Creek-IL/WI State Line 765 kV Competitive Transmission Project*, 1 (Jan. 6, 2026), <https://cdn.misoenergy.org/BECI%20Selection%20Report734487.pdf> ("Selection Report").

⁷ *Id.*

⁸ *Id.* at iii.

1.2 Approvals Sought

MGS Wisconsin seeks a Certificate of Authority pursuant to Wis. Stat. § 196.49(1)(am), which requires Commission approval for any company seeking to construct a utility plant or provide service in Wisconsin. Specifically, MGS Wisconsin requests that the Commission grant such approvals for MGS Wisconsin to operate as a “public utility” under Wis. Stat. § 196.01(5)(a). MGS Wisconsin also anticipates filing its application for a Certificate of Public Convenience and Necessity (CPCN) to construct and operate the Project. Ahead of its CPCN application, MGS Wisconsin will undertake comprehensive outreach to local governments and communities along the proposed and alternate routes, consistent with or exceeding Commission expectations. MGS Wisconsin is committed to early, proactive engagement with landowners and stakeholders and is developing a structured outreach plan to connect with local leaders and community members across the Project area. Initial in-person open houses are expected to be held in fall 2026 to provide project information and gather public input, complemented by virtual open house options to help determine the preferred route selection. Invitations and additional details will be distributed in advance of these outreach activities.

MGS Wisconsin also requests the Commission recognize it as a “transmission company” under the Wisconsin Public Utility Holding Company Act (WUHCA), as defined at Wis. Stat. § 196.795(1)(p), as MGS Wisconsin meets the definition of “transmission company” under Wis. Stat. § 196.485(1)(ge) and therefore qualifies for the exceptions under WUHCA for transmission companies. In addition to the approvals specifically identified above, MGS Wisconsin seeks any additional approvals that may be required to operate as a “public utility,” to the extent within the Commission’s jurisdiction and authority under applicable law.

1.3 Granting This Application is in the Public Interest and Serves Public Convenience and Necessity

In building the Project, MGS Wisconsin proposes to bring several benefits to the State of Wisconsin. The Project comprises all or portions of three projects (Projects 26, 30, and 31) in MISO's Tranche 2.1 portfolio which will bring an estimated \$1.2 billion investment into the State.⁹ The Project also serves as part of a 765 kV backbone that is critical to MISO's transmission planning to address an increase in challenges to energy service and reliability driven by economic, technological, legislative, and extreme weather factors.¹⁰

The 765 kV lines comprising the Project will serve many purposes and provide significant benefits. The lines improve reliability while carrying more electricity, minimizing land use, and reducing line losses. They can also accommodate the increasing electricity demand expected throughout the state and the region. Furthermore, these lines can facilitate large power transfers across the MISO footprint, which is ideal to carry renewable energy long distances from where it is generated to where it is needed in large population centers. Investing in these higher capacity lines now avoids the cost of upgrading or building additional lines in the future and adequately addresses future transmission needs.¹¹

MISO analyzed the intended benefits of individual projects within its Tranche 2.1 Portfolio. Project 26, along with other projects in southern Minnesota and western Wisconsin,

⁹ MISO, 2024 *MISO Transmission Expansion Plan - Executive Summary* 11, <https://cdn.misoenergy.org/20241212%20Board%20of%20Directors%20Item%2009a%20MTEP%20Executive%20Summary%20Appendix%20A%20Appendix%20F665158.pdf> ("MTEP24 Executive Summary"); Press Release, Am. Elec. Power Co., Inc., *Transource and BHE Transmission to Build Nearly 200-Mile 765-kV Transmission Line in Wisconsin* (Jan. 7, 2026), <https://www.aep.com/news/stories/view/10673/>.

¹⁰ MISO, *MTEP24 Executive Summary* at 3.

¹¹ MISO, *Fact Sheet: Long Range Transmission Planning (LRTP) Tranche 2.1* (2024), <https://cdn.misoenergy.org/LRTP%20Tranche%202.1666573.pdf>.

resolves many constraints for the area.¹² Notably, Project 26 helps resolve 86 percent of thermal violations¹³ on high voltage lines (200 kV and above).¹⁴ Projects 30 and 31 help resolve most thermal violations in southeastern Wisconsin across all voltage levels.¹⁵ Additionally, Projects 30 and 31 reduce congestion in eastern Wisconsin by utilizing the backbone network for regional power flows.¹⁶

MISO selected Transource—an upstream affiliate of MGS Wisconsin—to develop the Project after a competitive bidding process. On February 27, 2025, MISO issued a Request for Proposals (RFP) to build and operate the Project. MISO considered four key aspects of the proposals: 1) 765 kV transmission; 2) point of interconnection flexibility; 3) project scale and scope; and 4) coordination with interconnecting transmission owners.¹⁷

On January 6, 2026, MISO selected Transource to build the project “based on demonstrated technical capacity and cost containments.” Specifically, MISO found Transource’s proposal the best for cost and design.¹⁸ Additionally, the Project will be designed for a 300-year mean recurrence interval weather event.¹⁹ Transource demonstrated the most relevant 765 kV experience to develop the Project, providing MISO with confidence that it will be built correctly and efficiently. Lastly, Transource demonstrated a unique ability to operate and maintain the Project by stationing staff to serve as first responders and assessors to address emergency repairs, and

¹² MISO, 2024 *MISO Transmission Expansion Plan* 101, <https://web.archive.org/web/20241225004106/https://cdn.misoenergy.org/MTEP24%20Full%20Report658025.pdf> (“MTEP24 Report”).

¹³ A transmission thermal violation occurs when the expected electrical current exceeds the branches ratings. Adherence to these ratings prevents damage to the transmission assets and ensures that the lines can operate in a safe manner.

¹⁴ *Id.* (detailing how Project 25 and Project 26 help resolve “most constraints in Southern Minnesota and Western Wisconsin, especially on 200 kV and above facilities.”); *see also, id.* at 101 fig. 2.88 (detailing the resolution of thermal violations at facilities greater than 200 kV).

¹⁵ *Id.* at 106.

¹⁶ *Id.*

¹⁷ MISO, *supra* note 6, *Selection Report* at 2.

¹⁸ *Id.* at 9.

¹⁹ *Id.* at 10.

highlighted its current maintenance procedures for transmission lines, forestry, and telecommunications teams, which currently maintain over 600 miles of 765 kV transmission lines.²⁰

Transource, which operates through its subsidiaries, is transferring this important Project to MGS Wisconsin to substantially benefit Wisconsin and the MISO region. It is therefore in the public interest to grant this Application for MGS Wisconsin to become a public utility for the purpose of developing, constructing, and owning the Project.

1.4 Summary of Application

This application for a Certificate of Authority provides all the relevant and necessary information as required by Wisconsin law and Commission rules. Section 2 outlines the corporate structure, technical experience, and financial strength of MGS Wisconsin and its upstream affiliates. Section 3 provides an overview of the Project. Section 4 details how MGS Wisconsin is subject to Federal Energy Regulatory Commission (FERC) regulations for wholesale electric transmission rates, reliability standards, access to service, and other issues. Section 5 describes the statutory requirements to conduct utility business in Wisconsin. Section 6 discusses MGS Wisconsin's qualification as a transmission company under WUHCA. Section 7 discusses the applicability of statutes authorizing future oversight of MGS Wisconsin as a public utility.

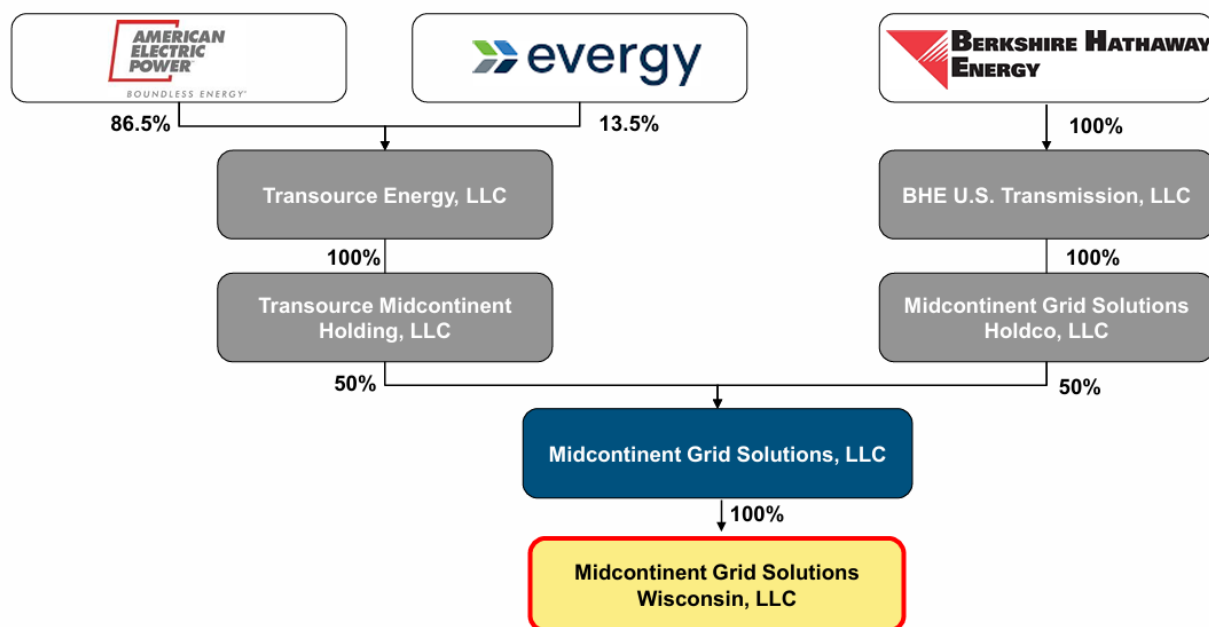
2. CORPORATE STRUCTURE

2.1 MGS Wisconsin

MGS Wisconsin is a Wisconsin limited liability company, established in 2025, created to develop, own, and operate the Project. MGS Wisconsin will own no assets other than the Project.

²⁰ *Id.* at 33.

MGS Wisconsin is a direct subsidiary of Midcontinent Grid Solutions, LLC, a Delaware limited liability company. MGS Wisconsin's chain of successive ownership is depicted below:²¹



2.2 Transource

2.2.1 Formation and Corporate Structure

Transource is a Delaware limited liability company organized in 2012. Transource owns Transource Midcontinent Holding, LLC, a Delaware limited liability company incorporated in 2025. Transource Midcontinent Holding, LLC owns Midcontinent Grid Solutions, LLC, in part.

Transource itself is a joint venture of AEP²² and Evergy.²³ AEP owns 86.5% of Transource. Evergy owns 13.5% of Transource. Together, Transource's parent companies combine more than

²¹ The organizational chart provided above is simplified for purposes of this Application. MGS Wisconsin will provide a complete organizational chart to Commission staff upon request.

²² A true and correct copy of AEP's Certificate of Incorporation can be found at docs.aep.com/docs/investors/governance/AEP-CERT-OF-INCORP-COMPOSITE-OF-A_R_27487865_May6-2026.pdf.

²³ A true and correct copy of Evergy's Articles of Incorporation can be found at <https://investors.evergy.com/static-files/c4db98e2-0513-499c-813f-bb66ade2009f>.

100 years of expertise in the planning, design, engineering, construction and operation of transmission systems.

2.2.2 Technical Experience

Transource, AEP, and Evergy have extensive experience developing transmission systems, including 765 kV lines. A 765 kV transmission system provides significant advantages for bulk power delivery by enabling the transfer of large amounts of electricity over long distances with high efficiency and reliability. For perspective, a 765 kV transmission line can carry up to six times the power of a 345 kV line. Operating at extra-high voltage allows substantially lower current for a given power level, which reduces line losses, improves voltage regulation, and enhances overall system stability. As a result, fewer transmission lines and substations are needed to move the same amount of power, lowering right-of-way requirements and long-term system costs. These characteristics make 765 kV systems particularly well suited for backbone transmission networks and interregional power transfers.

In addition to the Project, Transource is also developing other large-scale 765 kV transmission systems. For instance, Transource is currently part of a joint venture with FirstEnergy Transmission and Dominion Energy developing the Valley Link Transmission Company, LLC project in the PJM (Pennsylvania-New Jersey-Maryland Interconnection) region, which includes more than 400 miles of 765 kV transmission line in West Virginia, Virginia, and Maryland. Transource builds on the experience of its parent corporations, AEP and Evergy, in developing 765 kV transmission systems. Additionally, in early 2026 another joint venture between

Transource and First Energy, awarded through Grid Growth Ventures, LLC, will design and construct approximately 200 miles of 765 kV transmission lines throughout Ohio.²⁴

AEP pioneered the modern 765 kV transmission system in the US and has operated 765 kV facilities for more than six decades. AEP owns and operates nearly 90% of the nation's 765 kV network with 30 substations across six states, operating more than 2,200 miles of 765 kV lines. AEP has dedicated teams that develop transmission standards, including manufacturing specifications, design requirements, and equipment performance criteria. Internal technical staff perform 765 kV engineering and design, including lattice-tower and substation design, using established criteria and quality assurance practices. AEP also developed comprehensive testing requirements for 765 kV materials, equipment, and construction methods, which have helped shape industry standards. In addition to its 765 kV experience through its ownership in Transource, Evergy has extensive experience in transmission system development, particularly 345 kV transmission systems.

2.2.3 Financial Strength

Transource's continued financial growth enables its significant investment in transmission development, receiving a stable A2 Moody's rating.²⁵ This financial strength is further underscored by that of its parent companies, AEP and Evergy.

AEP demonstrates a strong financial profile which allows it to invest in large transmission systems, supported by its regulated utility model, disciplined capital planning, and sustained earnings growth. During 2025, AEP strengthened its long-term financial outlook by announcing a

²⁴ Press Release, Am. Elec. Power, Transource Energy and FirstEnergy Transmission Joint Venture Receive Approval for Major Electric Transmission Project in Central Ohio (Feb. 16, 2026), <https://www.aep.com/news/stories/view/10757/>.

²⁵ Am. Elec. Power, *Investor Meetings* (May 2026), https://docs.aep.com/docs/investors/eventspresentationsandwebcasts/May_2026_Investor_Handout.pdf.

five-year capital plan exceeding \$70 billion, largely focused on transmission, distribution, and generation infrastructure to serve accelerating industrial and data-center-driven load growth.²⁶ Of that total, 42% is anticipated for transmission investment. AEP forecasts \$12.2 billion in capital expenditures in 2026 alone.²⁷ This investment program underpins management's forecast of 7–9% long-term operating earnings growth.²⁸

AEP's financial strength is further reflected in continued access to capital markets and the preservation of investment-grade credit ratings. As of June 2026, AEP has a market capitalization of approximately \$68 billion.²⁹ As of March 2026, AEP's cash and liquid short-term investments are approximately \$549 million.³⁰ Further, major rating agencies, including Fitch and Moody's, have affirmed AEP's ratings in the BBB/Baa2 range in the last two years with stable outlooks, citing the company's scale and regulatory diversity.³¹ AEP's favorable financial profile is supported by strong cash flow and access to liquidity. AEP's debt-to-total-capital ratio decreased from 62.6% as of December 31, 2024 to 60.3% as of December 31, 2025.³² As of December 31, 2025, AEP's available liquidity was approximately \$5.6 billion, which management deemed

²⁶ Am. Elec. Power Co., Inc., 2025 Annual Report at 16, <https://docs.aep.com/docs/investors/AnnualReportsProxies/docs/25annrep/2026ProxyAppendixA.pdf> (last accessed Mar. 26, 2026).

²⁷ *Id.* at 49.

²⁸ See Am. Elec. Power Co., Inc., *Fourth Quarter 2025 Earnings Presentation* (Feb. 12, 2026), <https://docs.aep.com/docs/newsroom/resources/earnings/2026-02/4Q25EarningsReleasePresentation.pdf> (last accessed Mar. 26, 2026).

²⁹ Yahoo! Finance, American Electric Power Company, Inc. Valuation Measures, <https://finance.yahoo.com/quote/AEP/key-statistics/> (last accessed June 3, 2026).

³⁰ StockAnalysis.com, American Electric Power Company, Inc. AEP Balance Sheet, <https://stockanalysis.com/stocks/aep/financials/balance-sheet/> (last accessed June 3, 2026).

³¹ Fitch Ratings, Inc., *Fitch Affirms American Electric Power Company and Subsidiaries; Outlook Stable* (Nov. 7, 2025), <https://www.fitchratings.com/research/corporate-finance/fitch-affirms-american-electric-power-company-subsidiaries-outlook-stable-07-11-2025> (last accessed Mar. 26, 2026); Investing.com, *Moody's affirms AEP's Baa2 rating, downgrades AEP Texas, and adjusts Indiana Michigan Power's outlook* (Luke Juricic ed.) (Mar. 27, 2025), <https://www.investing.com/news/stock-market-news/moodys-affirms-aeps-baa2-rating-downgrades-aep-texas-and-adjusts-indiana-michigan-powers-outlook-93CH-3953334> (last accessed Mar. 26, 2026).

³² Am. Elec. Power Co., Inc. *supra* note 26, Annual Report at 44.

adequate for the foreseeable future.³³ As of December 31, 2025, funds from operations (FFO) to debt was 15.2% on an S&P basis and 13.9% on Moody's basis,³⁴ on target with AEP's expected range of 14–15% FFO/debt.³⁵

Evergy has similarly demonstrated financial strength supported by its regulated utility business model, improving regulatory outcomes, and a growing capital investment program aligned with long-term load growth. In 2025, Evergy delivered strong earnings performance, reporting adjusted earnings of approximately \$893.8 million and adjusted earnings of \$3.83 per share.³⁶ As of June 2026, Evergy has a market capitalization of approximately \$18.5 billion.³⁷ As of March 2026, Evergy's cash and liquid short-term investments are approximately \$18.4 million.³⁸

In 2025, Evergy maintained earnings stability while positioning the balance sheet for an expanded growth phase. Evergy announced and launched a \$21.6 billion capital investment plan for 2026–2030.³⁹ The company also increased its long-term adjusted earnings growth target to 6–8%+ through 2030,⁴⁰ signaling confidence in rate base expansion, regulatory execution, and

³³ *Id.* at 44–45.

³⁴ See Am. Elec. Power Co., Inc., *Fourth Quarter 2025 Earnings Presentation* (Feb. 12, 2026), <https://docs.aep.com/docs/newsroom/resources/earnings/2026-02/4Q25EarningsReleasePresentation.pdf> (last accessed Mar. 26, 2026).

³⁵ *Id.*

³⁶ Press Release, Evergy, Inc., Evergy Releases 2025 Results, Announces New Large Customers, Declares Quarterly Dividend and Establishes 2026 Guidance (Feb. 19, 2026), <https://investors.evergy.com/news-releases/news-release-details/evergy-releases-2025-results-announces-new-large-customers>.

³⁷ Yahoo! Finance, Evergy, Inc. Valuation Measures, <https://finance.yahoo.com/quote/EVRG/key-statistics/> (last accessed June 3, 2026).

³⁸ StockAnalysis.com, Evergy, Inc. Balance Sheet, <https://stockanalysis.com/stocks/evrg/financials/balance-sheet/> (last accessed June 3, 2026).

³⁹ *Id.*

⁴⁰ *Id.*

sustained customer demand. Evergy maintains strong credit ratings with major risk assessment firms, receiving a stable Baa2 rating from Moody's and stable BBB rating from S&P Global.⁴¹

Evergy's favorable financial profile is likewise supported by strong cash flow and access to liquidity. As of December 31, 2025, Evergy had \$1.1 billion of available borrowing capacity under its master credit facility, including \$199.1 million for Evergy, Inc.⁴² Evergy believes existing cash on hand and this borrowing capacity provides sufficient liquidity for its current capital requirements.⁴³

2.3 BHE Transmission

2.3.1 Formation and Corporate Structure

BHE Transmission is a Delaware limited liability company and a direct, wholly owned subsidiary of Berkshire Hathaway Energy Company (BHE). BHE was incorporated under the laws of the State of Iowa in 1999 and is a holding company with a diversified portfolio of businesses within the energy industry. BHE is a wholly owned subsidiary of Berkshire Hathaway Inc., a large American holding company based in Omaha, Nebraska that owns many businesses in various sectors and industries, including insurance, utilities, energy, transportation, manufacturing, and retail. The transmission sector holdings of BHE include AltaLink, BHE Canada, BHE Montana, and BHE U.S. Transmission, LLC.⁴⁴

⁴¹ Evergy, Inc., *Evergy Fourth Quarter 2025 Earnings and Business Update Call* (Feb. 19, 2026), <https://investors.evergy.com/static-files/0ca6f1e0-524c-4ddf-8511-d3633c9a5929> (last accessed Mar. 26, 2026).

⁴² Evergy, Inc., Annual Report (Form 10-K) (Feb. 19, 2026) at 51, <https://investors.evergy.com/static-files/b9df1de0-d5f8-43d6-837a-2447936ab2b3> (last accessed Mar. 26, 2026).

⁴³ *Id.* at 52.

⁴⁴ Berkshire Hathaway Energy Co., *2025 Corporate Overview* (Apr. 2025), [2025-BHE-Corporate-Overview.pdf](#) (last accessed Mar. 27, 2026).

2.3.2 Technical Experience

BHE Transmission has substantial experience developing, owning, and operating high-voltage transmission facilities across the United States.⁴⁵ By utilizing the significant operational and ownership experience of its parent company, BHE Transmission can develop cost-effective, reliable transmission systems for wholesale customers. BHE Transmission's portfolio includes several strategic ownership interests and joint ventures. Through a joint venture with AEP subsidiaries, BHE Transmission indirectly owns a 50% interest in ETT.⁴⁶ BHE Transmission also holds a 25% ownership interest in Prairie Wind Transmission, LLC and a 20% interest in Grid Assurance, LLC.⁴⁷ In addition, BHE Transmission owns the entire 123-mile U.S. portion of the Montana Alberta Tie Line, a 214-mile, 230-kV cross-border transmission intertie running between Montana and Alberta, Canada.⁴⁸

Through its indirect 50% ownership interest in ETT, BHE Transmission participates in the ownership and operation of a large-scale transmission system within the Electric Reliability Council of Texas (ERCOT).⁴⁹ ETT owns and operates an extensive portfolio of high-voltage transmission lines and substations subject to regulation by the Public Utility Commission of Texas. As of December of 2025, ETT had approximately \$4 billion of transmission assets in service including roughly 2,100 miles of transmission lines and 51 wholly owned substations. Ownership and operation of transmission facilities in ERCOT require significant technical expertise in system

⁴⁵ Berkshire Hathaway Energy Co., Annual Report (Form 10-K) (Mar. 2, 2026), https://www.brkenegy.com/assets/upload/financial-filing/20251231_99_bhec_annual_Form10-K.pdf (last accessed Mar. 26, 2026).

⁴⁶ BHE U.S. Transmission, LLC, *Just the Facts* (Apr. 2024), https://www.bhetransmission.com/assets/fact_sheet.pdf (last accessed Mar. 27, 2026).

⁴⁷ *Id.*

⁴⁸ BHE U.S. Transmission, LLC, *Factsheet*, <https://www.bhetransmission.com/#factsheet> (last accessed Mar. 27, 2026).

⁴⁹ *Id.*

planning, protection and control, substation design, and real-time operations within a complex power grid.

BHE Transmission's 25% ownership interest in Prairie Wind Transmission, LLC reflects experience with the development, construction, and long-term operation of a high-voltage, 345-kV transmission line. The Prairie Wind project consists of a 108-mile, high-voltage transmission line that was placed into service in 2014.⁵⁰ BHE Transmission's participation in the project demonstrates its ability and expertise in building, owning, and operating a large-scale high voltage transmission project. BHE Transmission's ownership of the entire Montana Alberta Tie Line demonstrates its technical experience and capability to manage complex high-voltage transmission infrastructure.

In 2014, BHE Transmission formed TransCanyon LLC, a joint venture with Bright Canyon Energy, a subsidiary of Pinnacle West Capital Corporation, to develop high-voltage transmission projects in the western United States.⁵¹ Through TransCanyon, BHE Transmission is developing the 214-mile, 500-kV Cross-Tie transmission line between Utah and Nevada.

In 2018, BHE Transmission joined with AEP and FirstEnergy to launch Grid Assurance, LLC, an industry-led grid recovery organization. Grid Assurance enhances transmission system resilience by providing participating transmission owners with ready access to securely stored spare equipment needed to respond to major system events.⁵² BHE Transmission is a 20% owner of Grid Assurance, LLC, and this involvement demonstrates its operational excellence and commitment to industry reliability.

⁵⁰ *Id.*

⁵¹ BHE U.S. Transmission, LLC, *supra* note 46, *Just the Facts*.

⁵² *Id.*

2.3.3 Financial Strength

BHE Transmission benefits from the exceptional financial strength and stability of its parent company, BHE and its ultimate parent, Berkshire Hathaway Inc. Berkshire Hathaway Inc. is one of the largest and most financially secure holding companies in the world, with a diversified portfolio of businesses including insurance, utilities and energy, transportation, manufacturing, services, and retail.⁵³ As of March 2026, Berkshire Hathaway Inc. had a market capitalization exceeding \$1 trillion. As of December 2025, Berkshire Hathaway Inc.'s cash and U.S. Treasury holdings exceeded \$370 billion.⁵⁴ Berkshire Hathaway Inc. maintains very strong investment-grade credit ratings, including a long-term issuer default rating of AA- from Fitch Ratings.⁵⁵ Berkshire Hathaway Inc.'s strong credit ratings reflect its consistent operating performance, significant cash and investment balances, and diversified earnings base.

As a privately held energy holding company and core subsidiary of Berkshire Hathaway Inc., BHE is a very stable entity with a business model focused on long-term ownership of energy infrastructure assets. BHE's portfolio includes electric and gas utilities, pipelines, and transmission assets across North America, and its earnings are largely derived from regulated or otherwise stable businesses.⁵⁶ Because a significant portion of BHE's earnings are derived from regulated or contract-based businesses, the company has a very conservative financial profile and strong access to capital.

BHE Transmission benefits directly from the financial stability and success of its parent companies. Through its affiliation with BHE and Berkshire Hathaway Inc., BHE Transmission has

⁵³ Berkshire Hathaway, Inc., Annual Report (Form 10-K) (Mar. 2, 2026), <https://www.berkshirehathaway.com/2025ar/2025ar.pdf> (last accessed Mar. 27, 2026).

⁵⁴ *Id.*

⁵⁵ Fitch Ratings, Inc., *Fitch Affirms Berkshire Hathaway Inc.'s Ratings; Outlook Stable*, <https://www.fitchratings.com/research/insurance/fitch-affirms-berkshire-hathaway-inc-ratings-outlook-stable-24-11-2025> (last accessed Mar. 27, 2026).

⁵⁶ Berkshire Hathaway Energy Co., *supra* note 44, 2025 Corporate Overview.

access to substantial financial resources, strong credit support, and proven financing capability. The financial security of BHE Transmission's parent companies, combined with its proven record of building, operating, and owning large scale transmission projects provides assurance that BHE Transmission has the resources necessary to meet its obligations to support the development, construction, and long-term operation of the Project.

3. PROJECT DESCRIPTION

The Project will connect the Bell Center substation in Crawford County, Wisconsin to the Columbia Substation in Columbia County, Wisconsin. It will then connect the Columbia Substation to the Sugar Creek Substation in Walworth County, Wisconsin, and cross state lines to connect the Sugar Creek Substation to the Collins Substation in Illinois. This will be the first 765 kV line in Wisconsin and will use AEP's new innovative design, the Guyed-Y line design (as pictured below), which further improves on prior 765 kV designs to reduce required right-of-way by 20% thereby minimizing landowner impacts, environmental disruption, and tree clearing needs over the life of the asset. Through AEP's over 50 years of experience building and innovating 765 kV assets, MGS Wisconsin has full confidence in its ability to thoughtfully engage the public and various community stakeholders to ensure landowner impacts and disruption during the construction process are minimized to the maximum extent possible.

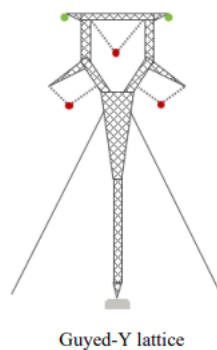


Figure 1: Guyed-Y Lattice Design

The Project is set to begin service on June 1, 2034, and will be approximately 190 miles in length. While the final route has yet to be determined and will be finalized in a CPCN proceeding, below is MISO's conceptual route for the Project.

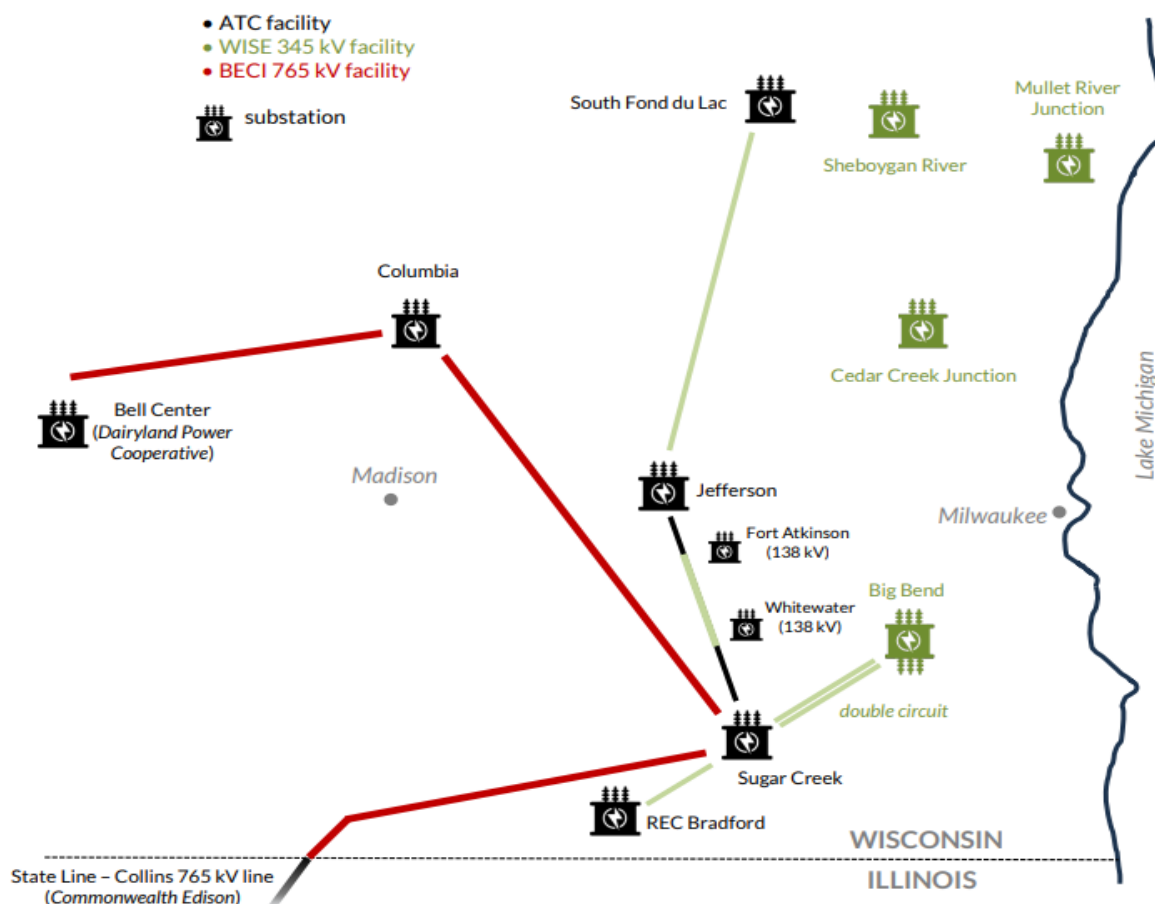


Figure 2: Conceptual Project Map from MISO

The Project is part of MISO's Tranche 2.1 Portfolio ("Portfolio") that "establishes a ground-breaking transmission backbone and delivers benefits that exceed costs."⁵⁷ The Portfolio was approved in MTEP24 and is designed to "ensure a reliable, resilient and cost-effective transmission system 20+ years into the future."⁵⁸

⁵⁷ MISO, *supra* note 9, *MTEP24 Executive Summary* at 1.

⁵⁸ *Id.*

The Portfolio will increase transmission system resiliency and decrease the risk of loss of load events by “effectively and efficiently mov[ing] energy from where it is generated to where it is needed in all hours of the year.”⁵⁹ The Portfolio helps to address major concerns by the North American Electric Reliability Corporation (NERC) in the MISO System. Specifically, NERC forecasts potential supply shortfalls in the MISO System due to “coal-fired generator retirements and slower-than-anticipated resource additions.”⁶⁰ Additionally, the Federal Energy Regulatory Commission (FERC) recognizes that increasing extreme weather events have negatively impacted system reliability.⁶¹ Building transmission systems designed to ensure energy moves to where the demand is lessens the risk of loss of load due to extreme weather events and a lack of generation. The Portfolio also increases access to low-cost, emission-free, and local renewable energy resources.⁶² This, in turn, promotes the outgrowth of renewable resources planned by utilities.

4. FERC REGULATION OF MGS WISCONSIN

FERC will have primary regulatory authority over many aspects of MGS Wisconsin and the Project. Because MGS Wisconsin will be a transmission-only public utility and the Project will not serve retail electric customers, FERC will regulate MGS Wisconsin’s wholesale transmission rates, the Project’s reliability, the terms of transmission service under applicable tariffs, and the books, records, and financials of MGS Wisconsin and its holding companies. The Commission will have jurisdiction over the Project’s siting and routing. This section describes FERC’s expected regulation of the Project and MGS Wisconsin in more detail.

⁵⁹ *Id.* at 11.

⁶⁰ N. Am. Elec. Reliability Corp., *2024 Long-Term Reliability Assessment* 12 (Dec. 2024), https://www.electric.coop/wp-content/uploads/2024/12/NERC_Long-Term-Reliability-Assessment_2024.pdf.

⁶¹ See One-Time Informational Reports on Extreme Weather Vulnerability Assessments Climate Change, Extreme Weather, and Electric System Reliability, 88 Fed. Reg. 41,477 (June 27, 2023).

⁶² MISO, *supra* note 12, *MTEP24 Report* at 31 (explaining that in the Future 2A, the transmission needs of which Tranche 2.1 addresses, a substantial majority of new and installed capacity would be renewable resources.”).

4.1 Rate Regulation

Pursuant to Section 201 of the Federal Power Act (FPA), Congress granted FERC jurisdiction over all facilities for the transmission of electricity in interstate commerce and the sale of electricity at wholesale.⁶³ The Project will serve wholesale (not retail) electricity customers and transmit electric energy in interstate commerce; therefore, MGS Wisconsin will be subject to FERC rate regulation under Sections 205 and 206 of the FPA, which require that rates be just and reasonable and not unduly discriminatory or preferential.⁶⁴ On April 29, 2026, MGS Wisconsin made a formula rate filing with FERC to establish a rate to recover the costs associated with its investment in the Project.⁶⁵ Access to service on MGS Wisconsin's transmission facilities will also be subject to FERC's open access requirements.⁶⁶ MGS Wisconsin will become a transmission-owning member of MISO and, therefore, its transmission service will be governed by MISO's Open Access Transmission Tariff, which is approved by FERC.

4.2 Reliability Standards

Pursuant to section 215 of the FPA, FERC reviews, approves, and enforces mandatory reliability standards developed by the North American Electric Reliability Corporation (NERC).⁶⁷ FERC has approved over eighty mandatory NERC reliability standards to ensure reliable operation of the nation's electric grid.⁶⁸ MGS Wisconsin will ensure the Project complies with these

⁶³ 16 U.S.C. § 824(b)(1).

⁶⁴ 16 U.S.C. § 824d(a), 824e(a).

⁶⁵ See *Midcontinent Grid Solutions Wisconsin, LLC*, Replication of Formula Rate and Request for Authorization of Abandoned Plant Incentive, Docket No. ER26-2376-000 (Apr. 29, 2026).

⁶⁶ See *Promoting Wholesale Competition Through Open Access Non-Discriminatory Transmission Services by Public Utilities; Recovery of Stranded Costs by Public Utilities and Transmitting Utilities*, Order No. 888, 1991-1996 FERC Stats. & Regs., Regs. Preambles ¶ 31,036 (1996), *order on reh'g*, Order No. 888-A, 1996-2000 FERC Stats. & Regs., Regs. Preambles ¶ 31,048, *order on reh'g*, Order No. 888-B, 81 FERC ¶ 61,248 (1997), *reh'g denied*, Order No. 888-C, 82 FERC ¶ 61,046 (1998), *aff'd in part and remanded in part sub nom. Transmission Access Policy Study Group v. FERC*, 225 F.3d 667 (D.C. Cir. 2000), *aff'd sub nom. New York v. FERC*, 535 U.S. 1 (2002).

⁶⁷ FERC certified NERC as the "Electric Reliability Organization" for the United States mainland in 2006, pursuant to FPA Section 215. 16 U.S.C. § 824o(b), (d); Fed. Energy Regul. Comm'n, *Reliability Explainer* at n.5, https://www.ferc.gov/reliability-explainer#_ftn5 (last accessed Apr. 21, 2026).

⁶⁸ *Id.*

standards, as well as the standards of the Midwest Reliability Organization and Reliability First, as applicable—these are regional entities that NERC has delegated certain authority to monitor and enforce mandatory reliability standards applicable to users, owners, and operators of the bulk power system within their geographic footprint, which includes Wisconsin.

4.3 Holding Company Regulations

The Public Utility Holding Company Act of 2005 (PUHCA), implemented by FERC through Order No. 667, requires utility holding companies to maintain books and records relevant to costs incurred by jurisdictional utilities and allow FERC access to those books and records.⁶⁹ Further, Section 203 of the FPA authorizes FERC to review mergers and consolidations involving utility holding companies in certain circumstances.

MGS Wisconsin and its holding companies will therefore be subject to substantial regulation by FERC in a variety of areas, including rates, reliability, the terms of transmission service under applicable tariffs, and recordkeeping.

5. STATUTORY REQUIREMENTS TO DO UTILITY BUSINESS IN WISCONSIN

To own transmission assets in the State of Wisconsin, MGS Wisconsin needs authority to be a “public utility.” MGS Wisconsin meets the definition of “public utility” under Wis. Stat. § 196.01(5)(a) and meets the criteria to be granted a CA to transact public utility business under Wis. Stat. § 196.49(1)(am).

⁶⁹ *Repeal of the Public Utility Holding Company Act of 1935 and Enactment of the Public Utility Holding Act of 2005*, Order No. 667, 2001-2005 FERC Stats. & Regs., Regs. Preambles ¶ 31,197, PP 178–79 (2005), *order on reh’g*, Order No. 667-A, 2006-2007 FERC Stats. & Regs., Regs. Preambles ¶ 31,213, *order on reh’g*, Order No. 667-B, 2006–2007 FERC Stats. & Regs., Regs. Preambles ¶ 31,224 (2006), *reh’g denied*, Order No. 667-C, 118 FERC ¶ 61,133 (2007).

5.1 MGS Wisconsin Meets the Definition of “Public Utility” Under Wis. Stat. § 196.01(5)(a)

The Commission has the power to supervise and regulate every “public utility”⁷⁰ as detailed in Wisconsin Statutes ch. 196. “Public utility” is defined as:

(5) (a) “Public utility” means, except as provided in par. (b),⁷¹ every corporation, company, individual, association, their lessees, trustees or receivers appointed by any court, and every sanitary district, town, village or city that may own, operate, manage or control any toll bridge or all or any part of a plant or equipment, within the state, for the production, transmission, delivery or furnishing of heat, light, water or power either directly or indirectly to or for the public.⁷²

The Wisconsin Supreme Court has called this definition a “term of art” that establishes which entities “qualify as public utilities.”⁷³

MGS Wisconsin qualifies as a “public utility” because it may “own, operate, manage or control ... all or any part of a plant or equipment, within the state, for the ... transmission ... of heat, light, water or power either directly or indirectly to or for the public.”⁷⁴ Transource—MGS Wisconsin’s upstream affiliate—was selected by MISO to develop and own the Project after a competitive bidding process that included proposals from five other developers.⁷⁵ MISO recognized that Transource was well equipped for the Project, as it demonstrated “the most 765 kV capabilities” and “the most relevant 765 kV experience” of the bidders.⁷⁶ MGS Wisconsin

⁷⁰ Wis. Stat. § 196.02(1).

⁷¹ Paragraph b generally excludes cooperatives, non-retail serving holding companies, telecommunications companies, commercial mobile service providers, and joint local water authorities.

⁷² Wis. Stat. § 196.01(5)(a).

⁷³ *Wis. Indus. Energy Grp., Inc. v. Pub. Serv. Comm’n of Wis.*, 2012 WI 89, ¶ 27, 342 Wis. 2d 576, 819 N.W.2d 240 (“WIEG”).

⁷⁴ *Id.*

⁷⁵ MISO, *supra* note 6, *Selection Report* at 2.

⁷⁵ *Id.* Transource was tendered a Selected Developer Agreement by MISO, which obligates Transource to “construct, implement, own, operate, maintain, repair, and restore all Competitive Transmission Facilities associated with the Project.” See Selected Developer Agreement By and Between Transource Energy, LLC and MISO 5-6, [https://cdn.misoenergy.org/MISO-Transource%20Energy%20SDA%20\(BECI\)%20SA%204701744948.pdf](https://cdn.misoenergy.org/MISO-Transource%20Energy%20SDA%20(BECI)%20SA%204701744948.pdf).

⁷⁶ *Id.*

and its affiliates have a proven track record of providing safe and reliable service on 765 kV transmission lines and stand ready to begin Project development, pending CA approval from the Commission. Therefore, MGS Wisconsin should be granted authority to become a “public utility” pursuant to Wis. Stat. Section 196.01(5)(a).

5.2 MGS Wisconsin Meets the Criteria to Transact Public Utility Business Pursuant to Wis. Stat. § 196.49(1)(am)

The Commission may issue a CA to an entity seeking to conduct public utility business in Wisconsin for the first time.⁷⁷ The CA statute provides:

No public utility not legally engaged in performing a utility service on August 1, 1931, in any municipality may commence the construction of any public utility plant, extension or facility, or render service in such municipality directly, or indirectly by serving any other public utility or agency engaged in public utility service or otherwise, unless the public utility has obtained a certificate from the commission authorizing it to transact public utility business.⁷⁸

To qualify to do utility business in Wisconsin, an entity must (i) be a “public utility” and (ii) must obtain authorization from the Commission to transact business in this state.⁷⁹

Although the CA statute does not set out an explicit standard for issuing a CA to commence public utility operations, the Commission has historically considered whether doing so is in the public interest.⁸⁰ In determining whether granting a CA is in the public interest, the

⁷⁷ Wis. Stat. § 196.49(1)(am).

⁷⁸ *Id.*

⁷⁹ *WIEG*, 342 Wis. 2d 576, ¶ 27 (“Although this definition establishes which entities qualify as public utilities, Wis. Stat. § 196.49(1)(am) shows that further certification may be necessary for such entities to actually transact business as a public utility. Under that provision, any ‘public utility’ that intends to provide heat, light, water, or power must ‘obtain a certificate from the PSC authorizing it to transact public utility business.’”) (quoting Wis. Stat. § 196.49(1)(am)).

⁸⁰ *Id.* ¶ 26 (“The prevailing purpose of regulation under ch. 196 is to ensure that public utilities’ actions are in the public interest.”) (citing *Wis. Power & Light Co. v. Pub. Serv. Comm’n of Wis.*, 148 Wis. 2d 881, 891-92, 437 N.W.2d 888 (Ct. App. 1989)).

Commission has considered benefits such as rate reductions for customers, efficient control of utility services, integration of utility services, and land use planning.⁸¹

Granting MGS Wisconsin a CA to commence public utility operations is in the public interest for multiple reasons. First, MGS Wisconsin's entrance into the Wisconsin transmission market will increase competition, to the benefit of Wisconsin customers. Second, allowing MGS Wisconsin to commence public utility operations will support MISO's regional planning process that selected MGS Wisconsin's upstream affiliate to develop and own the Project. Third, MGS Wisconsin has the experience and financial stability to develop and own the Project successfully and efficiently.

A. Increasing Transmission Competition is in the Public Interest.

FERC has recognized that competition in transmission development has a positive impact on wholesale electricity prices. In Order No. 1000, FERC required transmission providers to remove federal rights of first refusal for a transmission facility selected in a regional transmission plan from Commission-approved tariffs and agreements.⁸² This allowed transmission providers to use competitive bidding to solicit developers for projects identified in regional transmission planning.⁸³ FERC explained that the federal right of first refusal "deprive[s] customers of the benefits of competition in transmission development, and associated potential savings"⁸⁴ and concluded that "[t]he presence of multiple transmission developers would lower costs to

⁸¹ *In re Wisconsin Power & Light Co.*, Certificate of Authority and Final Decision, No. 05-BS-122, at 6 (Wis. PSC Sep. 19, 2003), <https://apps.psc.wi.gov/ERF/ERFview/viewdoc.aspx?docid=6130> (granting the City of Beloit a Certificate of Authority for commencing a public utility operation for providing water to its residents).

⁸² *Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities*, Order No. 1000, III FERC Stats. & Regs., Regs. Preambles ¶ 31,323 at P 253 (2011), *order on reh'g and clarification*, Order No. 1000-A, 139 FERC ¶ 61,132 (2012), *order on reh'g and clarification*, Order No. 1000-B, 141 FERC ¶ 61,044 (2012).

⁸³ *Id.* at P 259.

⁸⁴ *Id.* at P 285.

customers.”⁸⁵ The D.C. Circuit upheld FERC’s elimination of the federal right of first refusal for regionally planned transmission projects, finding FERC reasonably relied on the “established general principle[] ... that competition will normally lead to lower prices.”⁸⁶

MGS Wisconsin will bring the benefits of transmission competition to Wisconsin. When choosing Transource—MGS Wisconsin’s upstream affiliate—to construct the Project, MISO recognized that Transource’s proposal was the best of available options regarding cost and design.⁸⁷ While no 765 kV transmission projects have been constructed in Wisconsin, Transource leveraged its long and diverse 765 kV and competitive transmission development experience to create the best Project proposal.⁸⁸ MGS Wisconsin and its affiliates will turn their experience into innovative solutions to make the Project better. For example, MGS Wisconsin proposes to use a Guyed-Y tower structure design for the Project, which requires twenty fewer feet of right-of-way width and 5% less steel to construct as compared to traditional 765 kV designs. Wisconsin transmission development will benefit from competition that inherently creates cost savings and innovation.

B. Supporting Regional Transmission Planning is in the Public Interest.

MISO selected the Project as part of its Long-Range Transmission Planning (LRTP) Tranche 2.1 portfolio. MISO conducts LRTP periodically to identify and address future regional (rather than local) electric transmission needs over a twenty-to-forty-year planning horizon.⁸⁹ According to MISO, the LRTP’s purpose is “to enable a reliable generation fleet as planned by

⁸⁵ *Id.* at P 268 (quoting *Cleco Power LLC*, 101 FERC ¶ 61,008 at P 117 (2002), *order terminating proceedings*, 112 FERC ¶ 61,069 (2005)).

⁸⁶ *S.C. Pub. Serv. Auth. v. FERC*, 762 F.3d 41, 68 (D.C. Cir. 2014) (quoting *Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities*, 139 FERC ¶ 61,132 at P 70 (2012)).

⁸⁷ MISO, *supra* note 6, *Selection Report* at 16.

⁸⁸ *Id.*

⁸⁹ MISO, *supra* note 12, *MTEP24 Report* at 21.

MISO Members and states”⁹⁰ by focusing on “regional and long-term issues that require regional and long-lead solutions.”⁹¹ The MISO Board approved Tranche 2.1 after a three-year process that included identifying likely future scenarios within MISO’s footprint, identifying projects to meet transmission needs in these future scenarios, evaluating the costs and benefits of these projects, and soliciting feedback from interested stakeholders on its proposal.⁹² Tranche 2.1 is the second phase of LRTP and builds on Tranche 1, approved by MISO in 2022, which includes multiple projects in Wisconsin. Tranche 2.1 was selected by MISO as an optimal solution to meet the expected future electric generation mix of member utilities and states “based on member data, stakeholder input, state and federal policy, and technical and economic data.”⁹³ The Project is a critical part of 765 kV backbone created by Tranche 2.1 that MISO concluded was the “optimal choice” for addressing the transmission needs it identified.⁹⁴

A substantial increase in transmission development is necessary to support increasing electricity demand and the nation’s ongoing transition from dispatchable generation resources to intermittent, remotely located renewable generation resources.⁹⁵ Recognizing this need, FERC issued Order No. 1920 in 2024, a landmark order requiring transmission providers (e.g., MISO) to improve their regional transmission planning. FERC found that current regional transmission planning requirements are unjust and unreasonable because they do not require adequate long-term planning.⁹⁶ The evidence before FERC showed that forward-looking transmission planning allows transmission providers to better identify and address future reliability problems and economic

⁹⁰ *Id.* at 22.

⁹¹ *Id.* at 26.

⁹² MISO, *supra* note 9, *MTEP24 Executive Summary* at 11–12.

⁹³ MISO, *supra* note 12, *MTEP24 Report* at 27.

⁹⁴ *Id.* at 24.

⁹⁵ *Building for the Future Through Electric Regional Transmission Planning and Cost Allocation*, Order No.1920, 187 FERC ¶ 61,068, PP 92-99 (2024), *order on reh’g*, Order No. 1920-A, 188 FERC ¶ 62,025 (2024), *order on reh’g and clarification*, Order No. 1920-B, 191 FERC ¶ 61,026 (2025).

⁹⁶ *Id.* at P 1.

constraints by selecting regional transmission facilities that are more efficient and cost-effective.⁹⁷ Failing to conduct long-term regional planning leads to “piecemeal transmission expansion to address relatively near-term transmission needs ... which results in less efficient or cost-effective transmission investments.”⁹⁸

FERC therefore required transmission providers to participate in long-term regional transmission planning:

[O]n a sufficiently long-term, forward-looking, and comprehensive basis to identify Long-Term Transmission Needs,⁹⁹ identify transmission facilities that meet such needs, measure the benefits of those transmission facilities, and evaluate those transmission facilities for potential selection in the regional transmission plan for purposes of cost allocation as the more efficient or cost-effective transmission facilities to meet Long-Term Transmission Needs.¹⁰⁰

FERC required transmission providers to use no less than a twenty-year planning horizon during regional transmission planning so they can proactively identify long-term transmission needs and select cost-effective solutions for those needs.¹⁰¹ FERC explicitly recognized MISO’s transmission planning process as an example that shares “many of the elements of the long-term, forward-looking, and more comprehensive regional transmission planning this rule requires” and as a result of MISO’s efforts “customers have seen clear and quantifiable benefits.”¹⁰²

MGS Wisconsin seeks public utility status in Wisconsin for purposes of constructing and owning the Project, which is a key part of the regional 765 kV transmission backbone that MISO identified in Tranche 2.1 to “reliev[e] congestion and resolving local constraints throughout the

⁹⁷ *Id.* at P 90.

⁹⁸ *Id.* at P 85.

⁹⁹ Long Term Needs are “transmission needs identified through Long-Term Regional Transmission Planning by, among other things and as discussed in [Order 1920], running scenarios and considering the enumerated categories of factors.” *Id.* at P 39.

¹⁰⁰ Order No. 1920, *supra* note 95, at P 224.

¹⁰¹ *Id.* at PP 344–45.

¹⁰² *Id.* at P 102.

region.”¹⁰³ MISO’s LRTP process saves transmission customers money by efficiently addressing future transmission needs, as compared to piecemeal, local transmission upgrades. FERC has explicitly acknowledged the benefits of MISO’s process and has required all transmission providers to create a similar one. MGS Wisconsin is entering the State to put MISO’s beneficial regional planning into action. It is in the public interest for the Commission to allow MGS Wisconsin to begin that process by granting it a CA to conduct utility business as a transmission-only public utility for the purpose of developing and owning the Project.

C. MGS Wisconsin Has the Experience and Financial Stability to Successfully and Efficiently Develop and Own the Project.

As discussed in Section 2 of the Application, MGS Wisconsin’s upstream affiliates—AEP, Evergy, and BHE—are financially stable, long-standing businesses with immense transmission development experience. AEP is the nation’s leader in 765 kV transmission development. Evergy and BHE own transmission systems throughout the country, have long histories in the electric industry, and have experience developing extra high-voltage transmission projects. MGS Wisconsin and its affiliates have the experience and financial stability to efficiently develop 765 kV transmission lines like the Project. Therefore, it is in the public interest for MGS Wisconsin to become a transmission-only public utility in Wisconsin.

6. AS A PUBLIC UTILITY, MGS WISCONSIN ALSO QUALIFIES AS A TRANSMISSION COMPANY UNDER WUHCA AND, THEREFORE, GRANTING THIS APPLICATION WILL NOT RESULT IN THE FORMATION OF A HOLDING COMPANY

MGS Wisconsin meets all criteria necessary for the Commission to recognize it as a “transmission company” under WUHCA.¹⁰⁴ Therefore, MGS Wisconsin’s certification as a public utility will not result in the formation of a holding company. Consequently, MGS Wisconsin and

¹⁰³ MISO, *supra* note 9, *MTEP24 Executive Summary* at 15.

¹⁰⁴ See Wis. Stat. § 196.795(1)(p).

its upstream affiliates are not subject to the WUHCA provisions regulating holding companies and holding company systems.

6.1 As a transmission-only entity, MGS Wisconsin also qualifies as a transmission company under WUHCA

WUHCA defines “transmission company” to mean:

[A] corporation organized under ch. 180 or a limited liability company organized under ch. 183 that has as its sole purpose the planning, constructing, operating, maintaining and expanding of transmission facilities, and the providing of transmission service, to provide for an adequate and reliable transmission system that meets the needs of all users that are dependent on the transmission system and that supports effective competition in energy markets without favoring any market participant.¹⁰⁵

MGS Wisconsin meets the definition of transmission company under WUHCA. First, MGS Wisconsin is a domestic LLC organized under Wis. Stat. ch. 183. Second, MGS Wisconsin was established in 2025 for the sole purpose of developing, owning, and operating the Project, a 190-mile 765 kV transmission line and associated transmission facilities in Wisconsin. MGS Wisconsin has no purpose other than planning, constructing, maintaining, and providing transmission service on the Project. Third, the Project provides for an adequate and reliable transmission system that meets the needs of all users that are dependent on the transmission system and that supports effective competition in energy markets without favoring any market participants.

In Wisconsin, the “transmission system” is planned and operated by the Midcontinent Independent System Operator (MISO), which also facilitates open access and effective competition. This “facilitation,” planning, and operations is done in partnership with transmission owners, who are responsible for many of the physical aspects of the system. As the Project was

¹⁰⁵ Wis. Stat. § 196.795(1)(p) (referencing the definition at Wis. Stat. § 196.485(1)(ge)).

planned and will be operated and facilitated by MISO, MGS Wisconsin's purpose of construction and ownership of the Project is part and parcel of the planning, operation, and provision of open and competitive transmission service on the transmission system. MGS Wisconsin will expand and strengthen the transmission system serving Wisconsin, improving reliability and resiliency for users dependent on the system. The Project was approved by MISO as part of its effort to address increasing power demand across the country, and as part of MISO's Tranche 2.1 Portfolio, which is intended to improve system resiliency and reduce loss of load risk. MISO also expects Tranche 2.1 – including the Project – to increase competition in wholesale electricity markets by decreasing congestion and increasing access to low-cost renewable generation resources.¹⁰⁶ The Commission should therefore recognize MGS Wisconsin as a “transmission company” under WUHCA.

6.2 Because it is a transmission-only entity that qualifies as a transmission company, certification of MGS Wisconsin as a public utility does not result in the formation of a holding company under WUHCA

As a transmission only public utility, MGS Wisconsin meets the definition of “transmission company” and therefore qualifies for the transmission company exception to the application of WUHCA. Under WUHCA, no person may “form a holding company” unless that person has received a certificate of approval from the Commission.¹⁰⁷ “Form a holding company” means any of the following:

1. As a beneficial owner, to take, hold or acquire 5 percent or more of the outstanding voting securities of a public utility, *other than a transmission company*, with the unconditional power to vote those securities.
2. To exchange or convert 50 percent or more of the outstanding voting securities of a public utility, *other than* a municipality or other political subdivision or *a transmission company*, for or into

¹⁰⁶ MISO, *supra* note 9, *MTEP24 Executive Summary* 5, 15; Press Release, Transource, Transource and BHE Transmission to Build Nearly 200-Mile 765-kV Transmission Line in Wisconsin (Jan. 7, 2026), <https://www.aep.com/news/stories/view/10673/>.

¹⁰⁷ Wis. Stat. § 196.795(2)(a).

the voting securities of a company organized, created, appointed or formed by or at the direction of the public utility or of a subsidiary of such company.¹⁰⁸

Therefore, a holding company cannot exist under WUHCA unless the Commission approves its formation.¹⁰⁹ Further, a transmission company itself cannot be a holding company.¹¹⁰

Here, the Commission granting this application and certifying MGS Wisconsin as a public utility will not result in the formation of a holding company within the meaning of Wis. Stat. § 196.795(1)(g)1–2 because MGS Wisconsin is a transmission company. MGS Wisconsin’s upstream affiliates will take beneficial ownership of a transmission company upon its certification as a public utility, and this ownership is excluded from the statutory definition of “form a holding company.”¹¹¹ Because no holding company will be formed, WUHCA’s regulations applying to holding companies and holding company systems are not applicable to MGS Wisconsin and its upstream affiliates.

6.3 The History of WUHCA and Integration of Transmission Companies Supports MGS Wisconsin’s exemption from WUHCA.

The Wisconsin Legislature enacted WUHCA in 1985 to regulate the formation, structure, assets, and ongoing operations of public utility holding companies and holding company systems.¹¹² The legislature determined that Commission oversight of utility holding companies and holding company systems was in the public interest.¹¹³ The legislature made clear that, when enforcing WUHCA, the Commission must “recognize the differences between utilities according to the type of service provided.”¹¹⁴

¹⁰⁸ Wis. Stat. § 196.795(1)(g)1–2 (emphasis added).

¹⁰⁹ *Id.*

¹¹⁰ Wis. Stat. § 196.795(1)(h)3 (“‘Holding Company’ does not include a transmission company.”).

¹¹¹ Wis. Stat. § 196.795(1)(g).

¹¹² 1985 Wis. Act 79, <https://docs.legis.wisconsin.gov/1985/related/acts/79.pdf>.

¹¹³ *Id.*

¹¹⁴ *Id.*, § 1(8).

Approximately 11 years after WUHCA was enacted, FERC issued Order No. 888, requiring public utilities to provide open, non-discriminatory service on their transmission systems.¹¹⁵ Order No. 888 opened the door for sweeping reforms across the electric power industry. Many states developed retail market competition by deregulating traditional vertically integrated utility monopolies and allowing customers to choose their own supply of electric generation from a competitive market.¹¹⁶ In addition, many transmission-owning utilities transferred operational control of their transmission facilities to a regional transmission organization (RTO) or independent system operator (ISO) responsible for operating, planning, and managing the transmission system and wholesale electricity markets over a multi-state region.¹¹⁷ Wisconsin utilities eventually transferred operational control of transmission facilities to MISO.

In 1999, the Wisconsin Legislature joined the national trend of electric utility reform when it passed its “Reliability 2000” legislation.¹¹⁸ With the changes sparked by Order No. 888 and the rise of RTOs/ISOs, the legislature recognized the potential for new, transmission-only utilities in Wisconsin. Reliability 2000 changed Wisconsin utility law in accordance with industry changes, including amendments to WUHCA that added the concept of a “transmission company,”¹¹⁹ thereby acknowledging that a transmission-only wholesale utility could operate in the state.¹²⁰

¹¹⁵ Order No. 888 at 31,636.

¹¹⁶ See *Reg'l Transmission Orgs.*, Order No. 2000, 1996-2000 FERC Stats. & Regs., Regs. Preambles ¶ 31,089 (1999) (cross-referenced at 89 FERC ¶ 61,285, P 1-2.), *order on reh'g*, Order No. 2000-A, 1996-2000 FERC Stats. & Regs., Regs. Preambles ¶ 31,092 (2000) (cross-referenced at 90 FERC ¶ 61,201), *aff'd sub nom. Pub. Util. Dist. No. 1 v. FERC*, 272 F.3d 607 (D.C. Cir. 2001)).

¹¹⁷ *Id.*, Order No. 2000 at Section III E.

¹¹⁸ Wis. Legislative Council Staff, *New Law on Electric Utility Regulation – The “Reliability 2000” Legislation (Part of 1999 Wisconsin Act 9)*, Aseemb. 99-6 rev at 13-22 (Wis. 1999), available at <https://cdm16831.contentdm.oclc.org/digital/collection/p16831coll4/id/103/rec/1>; 1999 Wis. Act 9 §§ 2310c *et seq.*

¹¹⁹ 1999 Wis. Act 9 § 2335yd.

¹²⁰ Wis. Stat. § 196.795(1)(p) (defining transmission company to mean “a corporation organized under ch. 180 or a limited liability company organized under ch. 183 that has as its sole purpose the planning, constructing, operating, maintaining and expanding of transmission facilities, and the providing of transmission service, to provide for an adequate and reliable transmission system that meets the needs of all users that are dependent on the transmission system and that supports effective competition in energy markets without favoring any market participant.”).

“Recogniz[ing] the differences between utilities according to the type of service provided,”¹²¹ the legislature amended WUHCA’s definition of “form a holding company” and “holding company” to exclude transmission companies, which carved out transmission-only utilities that met certain statutory requirements from its holding company regulations.¹²²

6.4 “A transmission company” as used in WUHCA is separate and distinct from “the transmission company” under Wis. Stat. § 196.485

The structure, language, and drafting choices of the legislature limit the referential definition of “a transmission company” in WUHCA¹²³ to the self-contained definition in Wis. Stat. § 196.485(1)(ge). To avoid confusion, MGS Wisconsin preemptively addresses a separate utility category created by Reliability 2000 that is not relevant to this application – *the* transmission company under Wis. Stat. § 196.485. In other words, MGS Wisconsin need not be confused with “the” transmission company in order to be recognized as “a” transmission company for the limited purpose of WUHCA. “The” transmission company as used in Wis. Stat. ch. 196 would eventually become what was formed and began operating in 2001 as American Transmission Company, LLC (ATC), and it has several statutory limitations, duties, and commands that are not applicable to MGS Wisconsin,¹²⁴ although several portions of Wis. Stat. § 196.485 do apply.¹²⁵

As discussed below, the applicable law on statutory interpretation in Wisconsin, as applied to WUHCA, demonstrates that WUHCA unambiguously allows more than one transmission company to meet the statutory definition in Wis. Stat. § 196.485(1)(ge), and that a textual analysis

¹²¹ 1985 Wis. Act 79, *supra* note 112, § 1(8).

¹²² Wis. Stat. § 196.795(1)(g)1 (“As a beneficial owner, to take, hold or acquire 5 percent or more of the outstanding voting securities of a public utility, *other than a transmission company*, with the unconditional power to vote those securities) (emphasis added).

¹²³ Specifically, Wis. Stat. § 196.795(1)(p).

¹²⁴ See Wis. Stat. §§ 196.485(1m); (3m)(a)1; (3m)(b)-(c); (4)(a); (5)(a)-(c); (6); (8); Wis. Stat. § 196.487(2); Wis. Stat. § 196.494(2); and Wis. Stat. § 196.795(6m)(a)1.

¹²⁵ E.g., Wis. Stat. §§ 196.485(1)(be); (1)(dv); (1)(fe).

of the legislature’s usage of the indefinite and definite articles (“a” and “the”) demonstrate its intent to facilitate a general and specific definition of transmission company.

To determine a statute’s meaning and legal effect, a party must use established principles of statutory interpretation. In Wisconsin, statutory interpretation begins with the text.¹²⁶ Courts begin with the words and drafting choices of the legislature, called “intrinsic” signals of meaning, to determine the legislature’s intent. Oftentimes that is as simple as consulting the dictionary. However, on questions of style and form, courts often turn to the Legislative Reference Bureau’s *Wisconsin Bill Drafting Manual*,¹²⁷ which in turn relies on the Chicago Manual of Style.¹²⁸ Additionally, courts look at the scope, context, and purpose of the statute that is “ascertainable from the text and structure of the statute itself, rather than extrinsic sources, such as legislative history.”¹²⁹

A foundational principle of statutory interpretation is to give meaning to word choice. Specifically, “where the legislature uses similar but different terms in a statute, particularly within the same section, it is presumed that the legislature intended such terms to have different meanings.”¹³⁰ The *Wisconsin Bill Drafting Manual* also follows this rule: “Use different words when you intend different meanings and use the same word when you intend the same meaning. A change in wording may be construed to convey a change in meaning.”¹³¹ Essentially, when the legislature *changes* how it references a specific term, phrase, or concept, that change should, in

¹²⁶ *State ex rel. Kalal v. Cir. Ct.*, 2004 WI 58, ¶ 45, 271 Wis. 2d 633, 681 N.W.2d 110.

¹²⁷ Wis. Legis. Reference Bureau, *Wisconsin Bill Drafting Manual*, 8 (2025-26) (“Bill Drafting Manual”); *see also State v. James P.*, 2005 WI 80, ¶ 25, 281 Wis. 2d 685, 698 N.W.2d 95 (citing the Wisconsin Bill Drafting Manual).

¹²⁸ *Id.* at § 2.02 (“If the *Drafting Manual* does not answer a question of style, grammar, or usage, consult *The Chicago Manual of Style*.”).

¹²⁹ *Kalal*, 271 Wis. 2d 633, ¶ 48.

¹³⁰ *See Kohupar v. Wilde Pontiac Cadillac, Inc.*, 2007 WI 98, ¶ 30, 303 Wis. 2d 258, 735 N.W.2d 93 (quoting *Nelson v. McLaughlin*, 211 Wis. 2d 487, 496, 565 N.W.2d 123 (1997)).

¹³¹ Bill Drafting Manual, *supra* note 127, § 2.04(5).

most cases, be read to carry meaning, and includes changes from a definite to indefinite article.¹³²

That is exactly the case with the use of the definite “the” and indefinite “a.” The Chicago Manual of Style, relied on by Wisconsin drafters, explains the difference.

A definite article points to a definite object that (1) is so well understood that it does not need description (e.g., *the package is here* is a shortened form of *the package that you expected is here*); (2) is a thing that is about to be described {**the** sights of Chicago}; or (3) is important {**the** grand prize}. The definite article belongs to nouns in the singular {**the** star} or the plural number {**the** stars}.¹³³ An indefinite article points to a nonspecific object, thing, or person that is not distinguished from the other members of a class. The thing may be singular {**a** student at Princeton}, or uncountable {**a** multitude}, or generalized {**an** idea inspired by Milton’s *Paradise Lost*}.¹³⁴

So here, it is appropriate to begin specifically examining the text of the holding company exception in WUHCA, which includes the indefinite “a.” A “holding company” by definition does not include **a** transmission company.¹³⁵ In the same subsection, WUHCA defines transmission company with a reference which also uses the indefinite “a.”¹³⁶ “Transmission company means ... **a** limited liability company ...”¹³⁷ The use of the indefinite here signals a nonspecific thing that is not distinguished from other members of a class—a transmission company among many transmission companies. If the company in question can meet the three criteria of the statute, it qualifies as “a transmission company.” The usage of the indefinite term in the WUHCA provision

¹³² “[T]he definite article ‘the’ particularizes the subject which it precedes. It is a word of limitation as opposed to the indefinite or generalizing force of ‘a’ or ‘an.’” *Am. Bus. Ass’n v. Slater*, 231 F.3d 1, 4–5 (D.C. Cir. 2000). *See also Reid v. Angelone*, 369 F.3d 363, 367 (4th Cir. 2004) (explaining that under the ordinary principles of statutory interpretation, Congress’s use of the definite article “the” signals a singular, identifiable final order in the appellate review of habeas corpus proceedings.); *Warner-Lambert Corp. v. Apotex Corp.*, 316 F.3d 1348, 1356 (Fed. Cir. 2003) (reference to “the” use of a drug is a reference to an FDA-approved use, not to “a” use or “any” use); *Freytag v. Comm’r*, 501 U.S. 868, 902 (1991) (Scalia, J., concurring) (contending that use of the definite article in the Constitution’s conferral of appointment authority on “the Courts of Law” “obviously narrows the class of eligible ‘Courts of Law’ to those courts of law envisioned by the Constitution”).

¹³³ *The Chicago Manual of Style* ¶ 5.75 (18th ed. 2024).

¹³⁴ *Id.* ¶ 5.76 (emphasis in original).

¹³⁵ Wis. Stat. § 196.795(1)(h)3 (emphasis added).

¹³⁶ Wis. Stat. § 196.795(p).

¹³⁷ Wis. Stat. § 196.485(1)(ge) (emphasis added).

confirms this classification, and for the reasons discussed above in Section 6.1, fits with the purposes of the statute.

This is an important distinction from “the transmission company” created by the legislature and referenced most notably in Wis. Stat. § 196.485(3m), which provides for and sets out the duties, powers, and organization of “the” transmission company (i.e., ATC). Here, the definite article, without a plural adder at the end of the noun, describes the singular transmission company. This distinction is meaningful in Wisconsin, because the use of similar but different terms creates a presumption of different meanings, something that the *Wisconsin Bill Drafting Manual* instructs drafters to do.¹³⁸ That distinction is also not exclusive to Wis. Stat. § 196.485’s definition of transmission company – it also appears in WUHCA. WUHCA creates an exception for “a” transmission company when discussing the holding company exclusion and makes clear that a holding company is not formed when a beneficial owner takes, holds or acquires 5% or more of the securities of “a” transmission company, but later references “the” transmission company in Wis. Stat. § 196.795(6m)(a)1, the section which allows certain entities an exemption from the WUHCA asset cap. This is an implementing reference to a part of Wis. Stat. § 196.485(5)(a), which provides a carve out from WUHCA’s asset cap to Wisconsin utilities that contribute their transmission assets to “the” transmission company.

MGS Wisconsin meets the definition of a transmission company under WUHCA, and that definition is not ambiguous. Because the terms are similar, but not the same, Wisconsin law presumes drafters intended a different meaning, and the textual statutory purpose and structure create that different meaning by their form. WUHCA’s deliberate use of the indefinite article “a transmission company” identifies a general category that includes all entities satisfying the criteria

¹³⁸ See *Kolupar*, 303 Wis. 2d 258, ¶ 30; Bill Drafting Manual, *supra* note 127, § 2.05(5).

in Wis. Stat. § 196.485(1)(ge), rather than a uniquely identified “the transmission company.” Acknowledging this distinction recognizes WUHCA’s legislative purpose: oversight of holding company systems, while carving out exemptions for all transmission-only entities.

7. FUTURE OVERSIGHT OF MGS WISCONSIN AS A WISCONSIN PUBLIC UTILITY

Currently, there is only one non-incumbent transmission-only utility in Wisconsin—ITC Midwest. ITC Midwest was formed in 2007 to acquire the assets of Interstate Power and Light and was certified as a public utility by the Commission in 2014. Although ITC Midwest had owned and operated thousands of miles of transmission lines and hundreds of substations in Iowa, Minnesota, Illinois, and Missouri, it did not enter the Wisconsin market until it was approved by MISO, along with ATC, to construct and own the Dubuque-Cardinal Transmission Line, primarily located in Wisconsin. ATC was eventually replaced by Dairyland Power Cooperative, and the project was renamed the Cardinal-Hickory Creek Transmission Line. Like MGS Wisconsin, ITC Midwest was required to obtain a Certificate of Authority from the Commission to operate as a public utility prior to being able to file an application for a CPCN to construct the line. Therefore, the Commission’s determinations are instructive regarding other potentially relevant statutes to ITC Midwest’s application.

7.1 Statutes That Do Not Apply

As part of its determination that ITC Midwest was a public utility and transmission-only service provider, the Commission found that the following statutes did not apply to ITC Midwest:¹³⁹

- Wis. Stat. § 196.09 (Depreciation rates and practices)
- Wis. Stat. § 196.19 (Publish schedules; regulations; files; and joint rates)

¹³⁹ Final Decision and Certificate of Authority, PSC REF# 204180 at 8-9, *Application of ITC Midwest LLC for Authority to Become an Electric Utility*, Dkt. No. 2707-NC-100 (May 8, 2014).

- Wis. Stat. § 196.192 (Market-based rates compensation, rates and contracts)
- Wis. Stat. § 196.20 (Rules on service; change in rates)
- Wis. Stat. § 196.37(1) & (3) (Lawful rate; reasonable service)
- Wis. Stat. § 196.371 (Rate-making principles for electric generation facilities)
- Wis. Stat. § 196.374 (Energy efficiency and renewable resource programs)
- Wis. Stat. § 196.375 (Adequate service; reasonable rates)
- Wis. Stat. § 196.377 (Renewable energy sources)
- Wis. Stat. § 196.378 (Renewable resources)
- Wis. Stat. § 196.495 (Avoidance of duplication in electric facilities)
- Wis. Stat. § 196.496 (Distributed generation facilities)
- Wis. Stat. § 196.635 (Unbilled utility service)
- Wis. Stat. § 196.643 (Public utility service to rental dwelling unit)
- Wis. Stat. § 196.645 (Rate changes)
- Wis. Stat. § 196.86 (Assessments for air quality improvement program)

As directed by the Commission, ITC Midwest and Commission Staff later determined that Wis. Stat. § 196.05 also did not apply.¹⁴⁰ It is appropriate to find that these same exclusions apply to MGS Wisconsin because, like ITC Midwest, the requested certification would be restricted to the provision of transmission service in Wisconsin. MGS Wisconsin will not be involved in generation or direct retail service to Wisconsin consumers. For these same reasons, MGS Wisconsin requests that the Commission determine that Wis. Stat. § 196.03 (Utility charges and service; reasonable and adequate) does not apply. Because MGS Wisconsin's sole function will be to construct, own, and maintain electrical transmission lines to transmit power through the grid, there will be no retail utility charges for the Commission to regulate. If MGS Wisconsin were to revise its operational model to invest in generation, own distribution facilities, or seek to serve retail load in Wisconsin, it would work with the Commission to revisit the applicability of the relevant statutes at that time.

As explained in Section 6 above, MGS Wisconsin additionally requests that the Commission conclude that the statutes regulating holding companies and holding company system

¹⁴⁰ ITC Letter to Commission re: Order Point 8, PSC REF# 218786, Dkt. No. 2707-NC-100 (Sept. 23, 2014).

under WUHCA, Wis. Stat. § 196.795, are inapplicable because MGS Wisconsin is a transmission company and, therefore, a holding company is not formed by MGS Wisconsin's certification as a public utility.

7.2 Selected Additional Statutes

MGS Wisconsin, as a transmission-only utility, requests specific treatment with respect to other select statutes that apply to public utilities.

7.2.1 Books and Records, Wis. Stats. §§ 196.06 and 196.08

Wis. Stats. §§ 196.06 and 196.08 require that public utilities “keep and render” to the Commission uniform accounts of their business transactions and make those accounts available for audit by the Commission. ITC Midwest requested accommodation to meet these requirements given the location of their headquarters outside the state and their lack of Wisconsin rates. The Commission found that ITC Midwest must comply with those statutes by (1) making all books and records of all entities in the holding company structure readily available for Commission review in a reasonable manner; (2) maintaining its accounts consistent with FERC's Uniform System of Accounts; and (3) refraining from restricting Commission access to the information and audits it conducts on ITC Midwest and its affiliates.¹⁴¹ It would be appropriate to apply the same requirements to MGS Wisconsin because its affiliate companies are headquartered outside the state and MGS Wisconsin does not have its own rates. MGS Wisconsin would be prepared to make available its books and accounts for Commission review in a reasonable manner upon request.

7.2.2 Financial Requirements, Wis. Stats. §§ 196.07 and 196.12

Wis. Stats. §§ 196.07 and 196.12 deal with financial record-keeping and reporting by public utilities. The Commission found that ITC Midwest must comply with Wis. Stats. §§ 196.07

¹⁴¹ Final Decision, *supra* note 139, at 4.

and 196.12 by “(1) filing its annual FERC Form No. 1 financial statement and separately providing a schedule of Wisconsin-specific year-end utility plant balances by May 1; (2) providing the necessary in-state revenue data for purposes of calculating its share of remainder assessment; and (3) providing any other such reports deemed necessary by the Commission.”¹⁴² MGS Wisconsin would not object to application of the same conditions as part of any approval of its status as a transmission owner. MGS will maintain its accounts consistent with FERC-approved methodologies and provide a schedule to the Commission of its Wisconsin-specific year-end utility balances on a schedule the Commission deems appropriate.

7.2.3 Abandonment of Facilities, Wis. Stats. § 196.80(1m)(e) and 196.81

The Commission found that these statutes, which relate to sale or acquisition of a public utility property and abandonment of a line or right-of-way, apply only to ITC Midwest’s Wisconsin-located facilities.¹⁴³ MGS Wisconsin and its parent companies and affiliates own and maintain facilities outside Wisconsin, which are not intended to be regulated under these provisions. We request that the Commission find that these statutes apply only to those MGS facilities located in the State of Wisconsin.

7.2.4 Certificates of Authority for Transmission Facilities Outside Wisconsin, Wis. Stat. § 196.49(3) and Wis. Admin. Code PSC § 112.05

Pursuant to its authority under Wis. Stat. § 196.49, the Commission requires public utilities to notify the Commission at least sixty days prior to constructing, installing, or placing into operation any generation or transmission-related facilities in another state.¹⁴⁴

The notification shall include a description of the project, its location, the estimated cost, a discussion of need, permits or approvals required by the other state or local governments, and the approximate jurisdictional allocation of the cost between Wisconsin

¹⁴² *Id.*

¹⁴³ *Id.* at 11.

¹⁴⁴ Wis. Admin. Code PSC § 112.05(2).

and the other state. Notwithstanding sub. (3), if a significant portion of the cost of the project will be allocated to Wisconsin for ratemaking purposes, the commission may require that the utility submit an application under s. PSC 112.06, for commission authorization prior to construction, installation or operation.¹⁴⁵

If the Commission determines that the project will significantly affect Wisconsin consumers, it could require the utility to submit a Certificate of Authority application for the project in question.¹⁴⁶ This rule allows the Commission to exercise its rate-making authority to protect Wisconsin consumers. In its ITC Midwest decision, the Commission waived the applicability of this rule because ITC Midwest was only anticipated to own one transmission line for the foreseeable future. The Commission retained jurisdiction to revisit the waiver if circumstances changed.

MGS Wisconsin requests that the Commission waive this rule here as well because it is operating under circumstances comparable to ITC Midwest. MGS Wisconsin's affiliates own significant transmission assets outside of the state, but MGS Wisconsin has no current plans to own additional lines beyond the Project for the foreseeable future. If that changes, MGS Wisconsin would work with the Commission to determine whether the notice requirement is appropriate at that time.

7.2.5 Securities of Public Service Corporation, Wis. Stat. Chapter 201

Chapter 201, Wis. Stats., allows the Commission to regulate the issuance of securities by a Wisconsin public service corporation. Although the definition of public service corporation generally includes public utilities, the statute explicitly excludes transmission companies as defined in Wis. Stat. § 196.485(1)(ge). Because MGS Wisconsin will only be a wholesale transmission provider, it is subject to FERC's oversight under Section 204 of the Federal Power

¹⁴⁵ *Id.*

¹⁴⁶ See *WIEG*, 2012 WI 89 at ¶ 60.

Act. Pursuant to 16 U.S.C. § 824c(a) and 18 C.F.R. 34.1 et seq., MGS Wisconsin will be required to receive FERC approval prior to issuing securities by filing an application that includes, among other things: (1) a full description of the securities to be issued; (2) the purpose of the securities; (3) a detailed statement of facts showing the lawfulness and need for the securities; and (4) a detailed statement of the limitations on interest and dividend coverage, and the effects of such limitations on the issuance of additional debt or equity securities.¹⁴⁷ FERC will then determine whether the issuance will result in just and reasonable rates.

MGS Wisconsin requests that the Commission defer to FERC's regulatory oversight over any issuance of securities and assumption of debt. Should the Commission determine that Chapter 201 applies to MGS Wisconsin, MGS requests that the Commission require compliance with Chapter 201 through its FERC Section 204 approval process, provided MGS Wisconsin submits copies of its FERC Section 204 filings with the Commission. Such an approach would be consistent with the Commission's application of Chapter 201 to ITC Midwest.¹⁴⁸ ITC Midwest has satisfied its obligations to the Commission by regularly submitting its Section 204 filings with the Commission and MGS Wisconsin would do the same.

8. CONCLUSION

For the reasons set forth in this Application, MGS Wisconsin respectfully requests that the Commission approve its Application for a Certificate of Authority. MGS Wisconsin also requests clarification of the future regulatory requirements discussed in this Application. Specifically, MGS Wisconsin requests that the Commission issue an order providing the following:

1. MGS Wisconsin's Application for a Certificate of Authority is granted.

¹⁴⁷ 18 C.F.R. § 34.3 (e), (f), (h), (i).

¹⁴⁸ Final Decision, *supra* note 139, at 12.

2. The following statutes are not presently applicable to MGS Wisconsin as a transmission-only public utility in Wisconsin:

- a. 196.03 Utility charges and service; reasonable and adequate
- b. 196.05 Public utility property; valuation; revaluation
- c. 196.09 Depreciation rates and practices; findings by commission; dividends from reserves; retirements
- d. 196.19 Publish schedules; regulations; files; joint rates
- e. 196.192 Market-based compensation, rates and contracts
- f. 196.20 Rules on service; changes in rates
- g. 196.37(1), (3) Lawful rate; reasonable service
- h. 196.371 Rate-making principles for electric generation facilities
- i. 196.374 Energy efficiency and renewable resource programs
- j. 196.375 Adequate service and reasonable rates
- k. 196.377 and 196.378 Renewable energy sources
- l. 196.495 Avoidance of duplication in electric facilities
- m. 196.496 Distributed generation facilities
- n. 196.635 Unbilled utility service
- o. 196.643 Public utility service to rental dwelling unit
- p. 196.645 Rate changes
- q. 196.86 Assessments for air quality improvement program

3. MGS Wisconsin must make its books and records readily available to the Commission but need not maintain a physical office location within the State of Wisconsin to satisfy Wis. Stat. § 196.06.

4. MGS Wisconsin shall file by May 1 of each year its most recently filed FERC Form No. 1 financial statement and a schedule of the prior year-end Wisconsin utility plant balances. Such filings shall satisfy the requirements of Wis. Stat. §§ 196.07, 196.12.

5. MGS Wisconsin's maintenance of accounts consistent with the FERC Uniform System of Accounts is sufficient to satisfy Wis. Stat. § 196.06.

6. The Wis. Stat. § 196.81 requirement that MGS Wisconsin must obtain Commission approval prior to abandoning transmission facilities applies solely to MGS Wisconsin's transmission facilities located in Wisconsin.

7. Pursuant to Wis. Admin. Code PSC § 112.05, MGS Wisconsin is required to provide advance notice of transmission projects to be sited both within and outside Wisconsin when a significant portion of the costs would be allocated to Wisconsin load-serving entities. MGS Wisconsin must file notice of foreign projects not impacting Wisconsin ratepayers after receipt of approval from the affected regulatory jurisdictions. MGS Wisconsin will not be required to obtain a Wisconsin Certificate of Authority or CPCN for projects to be located outside Wisconsin.

8. Because MGS Wisconsin is a wholesale, transmission-only company, the issuance of securities is governed exclusively by the FERC. Therefore, MGS Wisconsin is not subject to regulation under Wis. Stat. ch. 201. MGS Wisconsin shall copy the Commission on its FERC FPA Section 204 filings.

9. Because MGS Wisconsin qualifies as a transmission company under WUHCA, its certification as a public utility will not result in the formation of a holding company. Therefore, MGS Wisconsin and its upstream affiliates are not subject to the provisions of Wis. Stat. § 196.795 regulating holding companies and holding company systems.

Respectfully submitted this 4th day of June, 2026.

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