WECC

Future of Path Ratings in the Western Interconnection Key Outcomes and Takeaways

September 1, 2026

On July 23, 2026, WECC convened stakeholders from across the Western Interconnection to discuss the future of Path Ratings and the Project Coordination, Path Rating, and Progress Report processes (Path Rating Process). The workshop had several goals:

- Establish a shared understanding of the Path Rating Process.
- Assess Path Ratings and the Path Rating Process in light of evolving industry practices.
- Analyze and compare traditional Path Rating and flow-based methods.
- Determine needs that must be met by future processes.

This meeting supports WECC's ongoing effort to ensure that updates to the Path Ratings Process or other processes align with industry needs and regional reliability goals.

This document summarizes key workshop take-aways and outlines the needs identified by stakeholders to ensure continuous, coordinated, reliable transmission development in the Western Interconnection.[1]

Workshop Overview

The meeting consisted of two sessions; one set the discussion context and reviewed foundational concepts. This included:

- The history and foundations of Path Ratings and the Path Rating Process
- Evolving industry changes affecting the role and relevance of Path Ratings and the Path Rating Process
- Flow-based methodology currently being used by some stakeholders in the Western Interconnection

The second session focused on identifying specific needs that must be met by future processes.

Use of Path Ratings in the Western Interconnection

One of the initial discussions focused on the current and intended use of ratings. The group reached a consensus that, given the industry changes that have occurred over the last decade, there is a limited role for Path Ratings in the operations horizon. The group agreed that the primary use of Path Ratings

[1] This document does not necessarily represent the views and opinions of WECC, only the discussions that took place during the workshop, and is provided for comment purposes only. WECC does not necessarily agree with or endorse any specific views or practices expressed herein and reserves the right to question the need for or appropriateness of any practice that is currently or may in the future be administered by WECC.

in the Western Interconnection remains in the planning horizon, which was the focus of the day's discussion.

After a discussion centered around the question "Why do paths need ratings?," the group concluded that Path Ratings primarily provide for the protection of transmission investments, though additional reasons were noted. The Path Rating Process supports this conclusion, stating:

- "A new Path Rating should not adversely affect the Transfer Capability of the existing system and individual Paths in the system. A new project will not result in a reduction of another Path's Existing or Accepted Rating. If it does, the sponsors of the project should work with all adversely affected parties to mitigate Transfer Capability limitations or to negotiate appropriate and reasonable compensation." (Section 2.5 Guidelines, Page 20)
- "At the completion of the Path Rating process, WECC may grant an Accepted Rating that gives the project sponsor some protection against erosion of established facility capacity when further expansion of the Interconnection is proposed or new limitations are discovered." (Process Outline, Page 7)

Members of the workshop also highlighted several other uses of Path Ratings in the planning horizon, including:

1. **Path Rating Catalog — a reference for studies**
    a. To ensure flows in external systems are "in the ballpark" or to represent a "stressed case"
    b. To understand the limiting condition (voltage, thermal, stability) and the limiting contingency and monitored element
2. **Granting long-term Transmission Service Requests (TSR) — beyond the operations horizon**
    a. If the requested service results in flow below the Path Rating, the TSR can be accepted. However, if the requested service results in flow greater than the Path Rating, additional system improvements are required to maintain system reliability before TSR acceptance.
3. **Ownership allocations**
    a. Path Ratings are used to establish and communicate transmission service values for multiple owners where there are contractual allocations for joint owners of a transmission path.
        i. E.g., Path X has a Path Rating of 1,000 MW, Owner 1 is allocated 600 MW, and Owner 2 is allocated 400 MW for transmission service.
4. **A proxy to quantify investment "value"**
    a. The Path Rating is a proxy number that attempts to quantify investment "value."
        i. E.g., If an entity spends $1.2 billion to increase capacity of a path, the entity is expected to get X MW of additional Total Transfer Capability (TTC) on that path, and at $Y/MWH, a certain monetary value is expected as a return on that investment.
5. **Assistance in developing stressed case studies**
    a. TPL-001-.5.1 requires planning assessments to include sensitivity analyses to examine a sufficient amount to stress the System. It was stated that some Transmission Planners

use Path Ratings to determine whether a sensitivity case represents a "stressed system" for the sensitivity analyses required by TPL-001.5.1.

6. **Meet Reliability Standard Requirements**
    a. Some entities noted that the Project Coordination, Path Rating, and Progress Report processes are used in meeting NERC Reliability Standard requirements in FAC-001-4 and FAC-002-4 related to notification and coordination on affected system studies, and in meeting transmission maintenance requirements noted in FAC-501-WECC-4.

Flow-based Methodology Discussion

Participants had a robust discussion on how the flow-based methodology differs from the path-centric contract-path methodology prevalent in the Western Interconnection. A representative from a Western flow-based entity noted that some entities are transitioning away from the path-based approach and emphasized the need for a more thorough process for evaluating the benefit of adding transmission beyond relying solely on a Path Rating mechanism/process. This could include more comprehensive studies to quantify the impact of an added transmission line, including the reliability and transfer capability benefits.

General Discussion

Participants also acknowledged that transmission expansion in the West is very complex and challenging because there are no large, centralized RTOs performing wide-area planning. Instead, there are many smaller planning entities, often with competing interests. One Slido poll response regarding Western needs stated, "Based on the required coordination, enforcement, and needs for oversight, being part of an RTO/ISO may address quite a few of these needs."

The traditional contract-path-based approach using Path Ratings and the Path Rating Process has been the de facto method for coordinating transmission expansion in the West. This framework protects investors' commercial opportunities by securing increased Transfer Capabilities generated by their investments. The Eastern Interconnection, by contrast, largely operates without contract-paths and does not use paths or Path Ratings. For example, Southwest Power Pool has several transmission expansion planning processes that harmonize FERC Order 1000 and 1920 planning processes with wide-area expansion planning and reliability coordination. Comparatively, FERC Order 1000 regional transmission planning processes in the West have not resulted in any cost-allocated projects since those orders came out.

Identified Needs

The session focused on identifying specific needs for future transmission expansion and enhancement process(es) and identified the following:

1. **Project Awareness**
    a. Provide widespread awareness of proposed transmission expansion and enhancement projects.

b. Bridge the gap between planning and operations by delivering continuous updates on when transmission facilities are expected to come into service and when they do come in service.
c. Attendees reached a consensus that providing awareness should be mandatory for owners proposing qualifying transmission expansion and enhancement projects.

2. **Information Sharing**
    a. Disseminate project information to those who need it, for example, models, technical data, study results, etc. A detailed list of information that must be shared, and when it must be shared, should be developed.
    b. There was broad consensus that project information sharing should be mandatory for owners proposing qualifying transmission expansion and enhancement projects.
3. **Coordination**
    a. Partner with entities in the area to determine and quantify wide-area impacts and interactions with other systems. Coordination should include anyone who may be affected and any interested stakeholders.
        i. It was noted that the concept of "being impacted" is a product of the Path Rating Process itself. That is, to “be impacted” equates to having a Path’s Rating eroded; decreasing a Transmission Owner’s ability to transfer up to the Path Rating is the measure of “impact”.
    b. There is a need to develop criteria to determine projects that require coordination. This should include criteria for projects that interconnect BA Areas and BAs’ internal projects.
    c. There is a need for open, transparent, and consistent study approaches and peer review processes.
    d. The coordination process should include detailed studies to identify reliability issues that might otherwise go unnoticed and unidentified, including for example, specific identification of voltage or angular stability limited interfaces and paths, voltage knee points, etc.
    e. The group discussed whether the future process(es) should include large load and generator interconnections or whether the process(es) should be limited to transmission expansion and enhancements.
        i. *Stakeholder perspectives:* Some members advocated that the process(es) should include everything, while others believe there are already adequate FERC, NERC, and state processes to address large loads and generator interconnections, and do not want to introduce unnecessary burden into the already complex transmission expansion process. Stakeholder consensus is needed before moving forward.
    f. The group agrees that coordination should be mandatory for owners proposing qualifying transmission expansion and enhancement projects.
4. **Study reference**
    a. There is a need for a shared reference document containing information for “critical” interfaces that entities can use when performing studies, e.g., ballpark flows on major

interfaces so that entities can set reasonable base case flows, maximum flows (TTCs) on major interfaces that represent a "stressed" case.

b. The designation of a "critical" interface should be based on an established set of criteria.
c. Any maximum flows (TTCs) provided should include:
    i. Limiting conditions (thermal, voltage, stability)
    ii. Limiting elements (contingent element and monitored element)
d. The "critical" interface flows in this study reference document should have a "shelf life" and should be revised periodically.
e. The document should be useful for all entities in the West, both path-based and flow-based.

5. **Protection — transmission service rights**
    a. Attendees agree on the necessity for a formal mechanism to provide protection of transmission investments from degradation caused by transmission expansion and enhancements elsewhere in the system. (Today this protection is achieved by obtaining an Accepted Rating, in accordance with the Path Rating Process.)
    b. Several stakeholders indicated that the mechanism should include mandatory mitigation for any degradation of TTC. And many emphasized that, beyond establishing protections, there is also a need for enforcement when a protection is violated.
6. **Encourage transmission expansion**
    a. Future process(es) should encourage — and not discourage — transmission expansion across the West.
7. **Universal applicability**
    a. Process(es) should apply to all entities in the West —those who use a path-based approach and those who use a non-contract-path, flow-based approach.