

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Baltimore Gas & Electric Company and)	
PECO Energy Company (Exelon) Petition)	Docket No. EL24-149-000
For Declaratory Order)	

COMMENTS OF THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Intervenor Pennsylvania Public Utility Commission (PA PUC) hereby submits the following comments regarding the Baltimore Gas & Electric Company and PECO Energy Company (Exelon) Petition for Declaratory Order. PA PUC supports Exelon's requested clarification of rules related to the co-location of large loads at nuclear plants seeking:

- A declaration that PJM's generator interconnection procedures at Order 2003¹ apply only to generation, not end-use load.
- A ruling that the interconnection of end-use load is under state, not federal, jurisdiction.
- A requirement that any modifications to existing interconnection agreements for new loads need consent from all parties.
- Confirmation that co-located load must follow standard procedures for becoming a retail customer and paying applicable rates.

¹ *Standardization of Generator Interconnection Agreements and Procedures*, RM02-1-001; Order No. 2003-A, 106 FERC ¶ 61,220 (March 5, 2004).

The PA PUC favors economic growth in Pennsylvania whereby data centers consuming large amounts of electricity pay their equitable share of costs for the grid, do not negatively impact reliability on the grid, and do not manifest unequitable rate burdens on Pennsylvania's end user customers.

Interconnection Service Agreements (ISAs) are generally standardized between transmission and generation owners showing how they connect and operate with each other. According to the Petition for Declaratory Order, Exelon avers that Constellation is treating co-located large loads at the Calvert Cliffs (Maryland) and Limerick (Pennsylvania) nuclear plants as though they are non-retail service without providing adequate engineering detail to Exelon despite Exelon's request for such information. Accordingly, Constellation is accused of modifying its ISAs without Exelon's consent and as such, no modified ISA is being filed at FERC for consideration. Exelon further avers that Constellation is treating its customer as though it were only its customer and not the electric distribution company's customer and that it is applying FERC Order No. 2003, 18 CFR Part 35 [Docket No. RM02-1-000; Order No. 2003], Standardization of Generator Interconnection Agreements and Procedures (Issued July 24, 2003) to support its decision not to reveal engineering detail regarding basic nature of the loads and other interconnection equipment needed almost as though the customer was part owner of the nuclear power plant at Limerick. Exelon's Petition for Declaratory Order at pp. 6-16.

The PA PUC supports a declaration that sales of energy to load co-located with generation is a direct sale of energy subject to state jurisdiction under Section 201 of the Federal Power Act. 16 U.S.C. § 824. We support load co-located with generation,

provided the load pays their fair share of costs. To the extent Constellation and a load customer wish to seek a determination from the Pennsylvania Public Utility Commission that this arrangement does not involve retail utility service, Pennsylvania law provides a procedural path to do so. *See* 52 Pa. Code § 69.1401.

When a generator adds co-located load, it is modifying its obligations under its interconnection agreement. Generators inject power into the grid pursuant to Order 2003 for wholesale sales and it is important to consult FERC when there is a modification to the generator's interconnection configuration. FERC Order 2003 Final Rule issued July 24, 2003, does not speak to interconnection of load but interconnection of generators. The terms under which load gets connected to the grid regarding rates for the direct sale of energy, as well as surcharges, taxes, franchise fees and PA program surcharges are a function of state regulation and not FERC's regulation. FERC should clarify the rules for the modification of ISAs and Generator Interconnection Agreements under Order 2023²

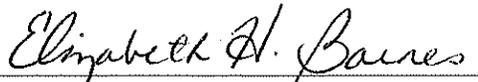
Although a generator is engaging in a direct sale of energy to co-located load, it appears on its surface from the facts averred in Exelon's Petition that Constellation's co-located load customer will be receiving other benefits through the use of public utility transmission facilities. The co-located load facilities receive Black Start service which is delivered through the transmission grid. If the grid were to experience a black start event, the loads as described in the Petition for Declaratory Order would clearly benefit from the resumption of service on the broader grid. The co-located load as described

² *Improvements to Generator Interconnection Procedures and Agreements*, RM22-14-001, Order No. 2023-A, 186 FERC ¶ 61,199 (March 21, 2024).

cannot fully island and so would not retain service through a network transmission outage. Although Black Start is just one example of the services received by co-located load through the transmission grid, there are likely others. The existence of at least one transmission service received by the co-located load justifies their treatment as a customer of the Transmission Owner to at least some degree.

Finally, these comments should not be construed as expressing opposition to co-located load at Limerick Generating Station or Calvert Cliffs Nuclear Power Plant. The PA PUC recognizes that large-load customers may prefer to interconnect co-located with generation without burdening ratepayers, and that ratepayers may potentially benefit from such a paradigm. For these reasons, the PA PUC supports Exelon's Petition for Declaratory Order to the extent described and requests that FERC provide guidance through a Declaratory Order.

Respectfully submitted,



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Dated: October 30, 2024

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am on this date serving a copy of the foregoing comments upon each person designated on the official service list compiled by the Federal Energy Regulatory Commission in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure.

Respectfully submitted,

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