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May 30, 2025

VIA eFILING

Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
Harrisburg, PA 17120

Re: **Application of PECO Energy Company for a Certificate of Public Convenience under Section 1102(A)(3) and 1103 of the Public Utility Code for Acquisition of Property Rights**
Docket No. A-2025-

Dear Secretary Homsher:

Enclosed for filing with the Pennsylvania Public Utility Commission (“Commission”) is the **Application of PECO Energy Company for a Certificate of Public Convenience under Section 1102(A)(3) and 1103 of The Public Utility Code for Acquisition of Property Rights** (“Application”).

The \$350.00 filing fee was submitted electronically.

Confidential Appendix 1 accompanying the Application will be filed separately with the Commission.

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Matthew L. Homsher, Secretary
May 30, 2025
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As indicated on the enclosed Certificate of Service, copies of the Application have been served upon the Office of Consumer Advocate, Office of Small Business Advocate, and Bureau of Investigation and Enforcement.

If you have any questions, please call me directly at 215.963.5384. Thank you.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Kenneth M. Kulak".

Kenneth M. Kulak

KMK/ap
Enclosure

c: Per Certificate of Service (w/encls.)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

APPLICATION OF PECO ENERGY COMPANY :
FOR A CERTIFICATE OF PUBLIC :
CONVENIENCE UNDER SECTION 1102(A)(3) : **DOCKET NO. A-2025-**
AND 1103 OF THE PUBLIC UTILITY CODE FOR :
ACQUISITION OF PROPERTY RIGHTS :

CERTIFICATE OF SERVICE

I hereby certify and affirm that I have this day served a copy of the **Application of PECO Energy Company for a Certificate of Public Convenience under Section 1102(A)(3) and 1103 of the Public Utility Code for Acquisition of Property Rights (Public Version)** on the following persons in the manner specified in accordance with the requirements of 52 Pa. Code § 1.54:

VIA FIRST CLASS MAIL AND ELECTRONIC MAIL

Darryl A. Lawrence
Office of Consumer Advocate
555 Walnut Street
Forum Place – 5th Floor
Harrisburg, PA 17101-1921
ra-oca@paoca.org

Allison C. Kaster
Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
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NazAarah Sabree
Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
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Dated: May 30, 2025



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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

APPLICATION OF PECO ENERGY :
COMPANY FOR A CERTIFICATE OF :
PUBLIC CONVENIENCE UNDER SECTION : **DOCKET NO. A-2025-**
1102(A)(3) AND 1103 OF THE PUBLIC :
UTILITY CODE FOR ACQUISITION OF :
PROPERTY RIGHTS :

APPLICATION OF PECO ENERGY COMPANY

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

PECO Energy Company (“PECO” or the “Company”) hereby files this Application to request the approval of the Pennsylvania Public Utility Commission (“PUC” or the “Commission”) under Chapter 11 of the Public Utility Code (“Code”) for PECO to acquire several easements (the “Easements”) from Calpine Mid Merit, LLC (“Calpine”) to support transmission projects directed by PJM Interconnection, L.L.C. (“PJM”) (the “Projects”).¹

The Projects are necessary to mitigate significant and widespread reliability issues in the Mid-Atlantic region, including PECO’s transmission facilities in southeastern Pennsylvania, that would otherwise result from (a) the planned deactivation of Talen Energy Corporation’s Brandon

¹ The Projects include the transmission lines and related facilities associated with PECO’s proposed Brandon Shores Retirement Mitigation Project and PJM 2022 Reliability Window #3 Project. Siting applications for both projects currently pending before the Commission are unopposed and have been assigned to the Commission’s Bureau of Technical Utility Services. *See Application of PECO Energy Co. Filed Pursuant to 52 Pa. Code §§ 57.71 et seq. for Approval of the Siting and Construction of the Brandon Shores Retirement Mitigation Project Located in Peach Bottom Twp., York Cty., Pa. and Petition for Waiver of 52 Pa. Code § 57.72(c)(10)*, Docket No. A-2024-3051463 (filed Sept. 30, 2024) (“Brandon Shores Application”) and Interim Order Reassigning Application to the Commission’s Bureau of Technical Utility Services (Order entered Feb. 13, 2025); *Application of PECO Energy Co. Filed Pursuant to 52 Pa. Code §§ 57.71 et seq. for Approval of the Siting and Construction of the PJM 2022 Reliability Window #3 Project Located in Peach Bottom Twp., York Cty., Pa. and Petition for Waiver of 52 Pa. Code § 57.72(c)(10)*, Docket No. A-2024-3051467 (filed September 30, 2024) (“PJM 2022 Window #3 Application”) and Interim Order Reassigning Application to the Commission’s Bureau of Technical Utility Services (Order entered Feb. 13, 2025).

Shores Generating Station in Maryland and (b) significant load growth and the retirement of generation facilities in other parts of the PJM footprint. The Easements to be acquired are those necessary for the access, operation and maintenance of a transmission line PECO is also acquiring from Calpine (the “5034 Line”),² which will be rebuilt to allow for the construction of the Projects in the future.³

In support of this Application, PECO states as follows:

I. INTRODUCTION

1. This Application is filed by PECO, a “public utility” and “electric distribution company” as those terms are defined, respectively, in Sections 102 and 2803 of the Code (66 Pa. C.S. §§ 102 and 2803) that provides electric distribution, transmission, and default services in Pennsylvania subject to the regulatory jurisdiction of the Commission.

2. PECO’s address is as follows:

PECO Energy Company
2301 Market Street
Philadelphia, PA 19103

3. The names and addresses of PECO’s attorneys in this matter who are authorized to receive notices and communications on their clients’ behalf are:

Anthony E. Gay
PECO Energy Company
Vice President & General Counsel
2301 Market Street, S21-1
Philadelphia, PA 19103
(215) 841-4635
anthony.gay@exeloncorp.com

² On April 25, 2025, PECO filed an application with the Federal Energy Regulatory Commission pursuant to Section 203 of the Federal Power Act for all approvals necessary to acquire the 5034 Line from Calpine. *See Calpine Mid Merit, LLC and PECO Energy Co.*, FERC Docket No. EC25-81-000.

³ PECO is not seeking authority to rebuild the 5034 Line in this Application but will do so in the future.

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4. PECO furnishes electric service to approximately 1.7 million electric customers and also serves over 553,000 natural gas customers throughout its certificated service territory, which encompasses approximately 2,100 square miles in Pennsylvania. PECO owns approximately 1,050 miles of transmission lines, approximately 13,000 miles of aerial distribution facilities, and approximately 9,000 miles of underground distribution facilities. In addition, PECO owns approximately 13,800 miles of natural gas mains and services.

II. OVERVIEW OF THE PROPOSED TRANSACTION

5. The Transaction will be consummated consistent with the terms of a Letter of Intent dated February 25, 2025 (“Letter of Intent”), a copy of which is provided as Confidential Appendix 1 hereto. PECO and Calpine have not yet finalized an asset purchase agreement. However, the final asset purchase agreement will reflect the terms and conditions contained in the Letter of Intent in all material respects.

6. As set forth in the Letter of Intent, PECO will acquire the 5034 Line from Calpine with five associated easements described in Exhibit B-1 of the Letter of Intent (the “Easements”). The Easements are all of the easements necessary to access, operate and maintain the 5034 Line. The purchase price for the Easements is \$1,250,000.

7. The Transaction is a critical step in enabling the Projects. As described in the Brandon Shores and PJM 2022 Window #3 siting applications pending before the Commission

for the Projects, PECO is the entity designated by PJM to construct several new transmission lines to foster needed generation additions and retirements as well as load growth on the PJM system, as approved by PJM.⁴

8. The Transaction is also necessary to support the new 500/230 kV transmission substation in the York, Pennsylvania area (“Bramah Substation”) to be constructed by Transource Pennsylvania, LLC (“Transource”). The Commission entered an order issuing a certificate of public convenience to Transource and providing other approvals requested by Transource to proceed with construction of the Bramah Substation on December 19, 2024.⁵ PECO requires the Easements, in part, to rebuild the 5034 Line to tie-in to the Bramah Substation.

9. Some of the transmission construction for the Projects that require new rights-of-way will use Calpine’s existing transmission corridor for the 5034 Line located within the Easements. Once the Transaction closes, PECO will be responsible for all cut-in and cut-out work to the Bramah Substation on a new 500 kV transmission line to be constructed by the Company as part of the Projects. This work will require PECO to demolish a short section of the 5034 Line and rebuild that part of the line in a new location to the south of the existing line. PECO will separately file with the Commission for all necessary authorizations to site and construct the newly relocated portion of the 5034 Line.

⁴ See Brandon Shores Application, pp. 9-15; PJM 2022 Window #3 Application, pp. 9-15.

⁵ See *Application of Transource Pa., LLC for Approval to Offer, Render, Furnish, or Supply Electric Transmission Service to the Public in the Commonwealth of Pa.*, Docket No. A-2024-3049272, and *Affiliated Interest Agreement of Transource Pa., LLC*, Docket No., G-2024-3049271 (Order entered Dec. 19, 2024).

III. REQUESTED COMMISSION APPROVAL

10. Section 1102(a)(3) of the Code requires the Commission to issue a certificate of public convenience, upon application, to authorize a “public utility or an affiliated interest of a public utility” to “acquire from, or transfer to [any other entity by any means whatsoever] the title to, or the possession or use of, any tangible or intangible property used or useful in the public service.” 66 Pa. C.S. § 1102(a)(3). However, such approval is not required when the undepreciated book value of the property to be acquired or transferred does not exceed: (A) 2% of the undepreciated book value of all fixed assets of such public utility; or (B) \$5,000 in the case of personalty or \$50,000 in the case of realty. 66 Pa.C.S. § 1102(a)(3)(ii).

11. Under the Transaction, PECO will acquire the Easements for purposes of providing electric service to the public for a purchase price of \$1,250,000, which exceeds \$50,000 and, therefore, requires a certificate of public convenience under Section 1102(a)(3) of the Code.⁶

12. Section 1103(a) of the Code articulates the standard an applicant must meet to obtain a certificate of public convenience evidencing the Commission’s approval under Section 1102, namely, that granting the requested approval is “necessary or proper for the service, accommodation, convenience, or safety of the public.”

13. As part of the Transaction, PECO proposes to acquire the easements for approximately 78.8 acres from Calpine associated with the 5034 Line and necessary for the location and construction of the Projects. A list of the original grantors of the Calpine rights-of-

⁶ The purchase price of the 5034 Line is less than 2% of the undepreciated book value of PECO’s fixed assets and falls within the Section 1102(a)(3)(ii)(A) exception.

way is set forth on Exhibit B to the Letter of Intent.⁷ The easement areas to be acquired from Calpine are described in Exhibit B-1 to the Letter of Intent.

14. As previously discussed, the Projects are necessary to mitigate reliability issues PJM evaluated due to new generation coming online, existing generation being retired, and significant load growth. The Transaction will enable PECO to optimize the use of the existing right-of-way for the 5034 Line to accommodate new and upgraded high-voltage transmission lines within Peach Bottom Township, York County, Pennsylvania that PJM has approved to be connected in and out of the new Bramah Substation and directed PECO to construct.

15. In short, PECO's proposed acquisition of the easements in the existing Calpine transmission corridor is necessary for the service, accommodation and convenience of the public because those property rights are necessary to allow for the construction of the Projects and the tie-in of the Projects to the new Bramah Substation as approved by PJM.

IV. NOTICE

16. The Joint Applicants are serving copies of this filing on the Commission's Bureau of Investigation and Enforcement, the Office of Consumer Advocate, and the Office of Small Business Advocate. A service list is attached to the transmittal letter that accompanies this Application.

17. PECO will provide such additional forms of notice as may be directed by the Commission.

⁷ The grantors remain the same except for PECO, which sold the underlying property to Steve and Cheryl Troyer. The Troyers have conveyed their property interest to Troyer Farms LLC. Additionally, Exelon Generation Company, LLC is now known as Constellation Energy Generation, LLC.

V. CONCLUSION

18. For all of the reasons set forth in this Application, the Transaction will promote the “service, accommodation, convenience, or safety of the public” and, thus, satisfies the legal requirements for approval by this Commission.

WHEREFORE, PECO respectfully urges the Commission to grant the approval and authorizations requested herein to the extent deemed necessary.

Respectfully submitted,



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Counsel for PECO Energy Company

Date: May 30, 2025

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APPLICATION OF PECO ENERGY :
COMPANY FOR A CERTIFICATE OF :
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VERIFICATION

I, William J. Patterer, hereby declare that I am the Vice President of Projects and Contracts for PECO Energy Company; that, as such, I am authorized to make this verification on its behalf; that the facts set forth in the foregoing Application are true and correct to the best of my knowledge, information, and belief; and that I make this verification subject to the penalties of 18 Pa. C.S.A. § 4904 pertaining to false statements to authorities.

Date: May 30, 2025



William J. Patterer
Vice President of Projects and Contracts