

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission, et
al.

v.

PPL Electric Utilities Corporation

R-2025-3057164
C-2025-3057844
C-2025-3057889
C-2025-3058130
C-2025-3057946
C-2025-3058271
C-2025-3058300
C-2025-3058251
C-2025-3058846
C-2025-3058982
C-2025-3059151

**STATEMENT OF THE ENERGY JUSTICE ADVOCATES
IN SUPPORT OF THE JOINT PETITION FOR APPROVAL OF
NON-UNANIMOUS SETTLEMENT OF ALL ISSUES**

I. INTRODUCTION

Clean Air Council, Vote Solar, the Union of Concerned Scientists, POWER Interfaith, and Physicians for Social Responsibility Pennsylvania (the “Energy Justice Advocates,” or “EJA”), submit this Statement (the “Statement”) in Support of the Joint Petition for Approval of Non-Unanimous Settlement of All Issues (the “Joint Petition”) in the above-captioned proceeding (the “Proceeding”) of the Pennsylvania Public Utility Commission (the “Commission”).

After extensive discovery, and a process of extensive negotiations, EJA, along with other parties in this Proceeding, has agreed upon the settlement terms reflected in the Joint Petition. EJA respectfully submits that the terms of the Joint Petition, taken as a whole, represent a disposition of the Proceeding that would be in the public interest and respectfully requests that the Joint Petition be approved by the Commission without modification.

II. STANDARDS FOR APPROVAL OF SETTLEMENT

1. As the Commission’s regulations provide, in evaluating a proposed settlement, the Commission must “determine if the settlement is in the public interest.” 52 Pa. Code § 5.232(d).

2. In order to do so, the Commission must evaluate “whether the proposed terms and conditions foster, promote, and serve the public interest.” *Pa. PUC, et al. v. City of Lancaster – Bureau of Water*, Docket Nos. R-2010-2179103, et al. (Order entered July 14, 2011).

3. As the Commission’s regulations further provide, “[i]t is the policy of the Commission to encourage settlements.” 52 Pa. Code § 5.231(a).

4. This is because, “[i]n the Commission's judgment, the results achieved from a negotiated settlement or stipulation, or both, in which the interested parties have had an

opportunity to participate are often preferable to those achieved at the conclusion of a fully litigated proceeding.” 52 Pa. Code § 69.401.

III. SETTLEMENT TERMS

A. REVENUE REQUIREMENT

5. In PPL Electric Utilities Corporation’s (“PPL Electric”) rate increase filing, PPL Electric proposed a revenue requirement increase of \$356 million. PPL Electric, St. No. 1, Direct Testimony of Christine Martin, 6:13–8:23, Docket No. R-2025-3057164 (Sept. 30, 2025).

6. In contrast, the Joint Petition provides for a revenue requirement increase of \$275 million, which represents a 23% decrease. Joint Petition, ¶ 49.

7. Approval of a settlement reflecting this reduced revenue requirement increase, when considered together with and in the context of the complete package of settlement terms in the Joint Petition, is consistent with the public interest.

B. REVENUE ALLOCATION

8. EJA did not take a position on this issue.

C. RATE DESIGN

9. In PPL Electric’s rate increase filing, PPL Electric proposed to increase the residential customer charge from \$14.09 to \$17.00. PPL Electric, Exh. Regs. § 53.53, Part IV – Rate Structure & Cost Allocation, Att. IV-C 1, Docket No. R-2025-3057164 (Sept. 30, 2025).

10. In contrast, the Joint Petition provides for a residential customer charge of \$15.00. Joint Petition, ¶ 54.

11. Approval of a settlement reflecting this reduced residential customer charge increase, when considered together with and in the context of the complete package of settlement terms in the Joint Petition, is consistent with the public interest.

D. DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (“DSIC”)

12. EJA did not take a position on this issue.

E. STORM DAMAGE EXPENSE RIDER (“SDER”)

13. EJA did not take a position on this issue.

F. CUSTOMER SERVICE, LOW INCOME, AND UNIVERSAL SERVICE ISSUES

14. EJA did not take a position on these issues, except to the extent discussed *infra* in connection with large load interconnection issues.

G. VEGETATION MANAGEMENT

15. EJA did not take a position on this issue.

H. RELIABILITY

16. EJA did not take a position on this issue.

I. LARGE LOAD INTERCONNECTIONS

17. In PPL Electric’s rate increase filing, PPL Electric did not propose any new rate class specifically designed to address very large load customers such as data centers, but instead

proposed a number of changes to its existing LP-5 large load customer class to address such customers. PPL, Exh. GEO-1, 411–31, Docket No. R-2025-3057164 (Sept. 30, 2025).

18. In contrast, the Joint Petition proposes a new rate class designed for very large load customers like data centers, LP-6, which contains expanded ratepayer protections. Joint Petition, ¶¶ 91–97.

19. LP-6 applies to a customer if the customer has a peak electric demand of 50 MW or greater at a single facility or at least equal to 75 MW in the aggregate among facilities taking service from PPL Electric at or above 69 kV within a 10-mile radius, unless PPL Electric petitions the Commission for an exception pursuant to the terms of the Joint Petition. Joint Petition, ¶ 91(b)(ii).

20. Notably, LP-6 requires a minimum contract length of 10 years for Electric Service Agreements (“ESAs”). Joint Petition, ¶ 91(a)(i)(1).

21. Under ESAs for the LP-6 rate class, customers are responsible for and must provide security for all costs of interconnection that would not have been incurred “but for” their interconnection. Joint Petition, ¶ 92.

22. PPL Electric will allocate \$11 million of Universal Service Rider (“USR”) costs annually to the new LP-6 rate class starting January 1, 2027. Joint Petition, ¶ 96.

23. In its next filed rate case, PPL Electric will propose an increased allocation of USR costs to the LP-6 rate class or will explain why it has not proposed to increase this allocation. Joint Petition, ¶ 96.

24. The Joint Petition also provides that all parties to it reserve all of their rights with respect to the Commission’s large load model tariff proceeding at Docket No. M-2025-3054271. Joint Petition, ¶ 97.

25. The Joint Petition further provides that all parties to it may initiate a filing with the Commission proposing to modify the LP-6 rate schedule to be consistent with the Commission’s final model large load tariff and that such a filing would not be construed as inconsistent with the Joint Petition. Joint Petition, ¶ 97.

26. Approval of a settlement reflecting these expanded protections for ratepayers in connection with very large load customers such as data centers, when considered together with and in the context of the complete package of settlement terms in the Joint Petition, is consistent with the public interest.

J. MAXIMUM REGISTERED PEAK LOAD

27. EJA did not take a position on this issue.

K. ELECTRIC VEHICLE (“EV”) TIME-OF-USE (“TOU”) CHARGING REBATE PROGRAM AND DIRECT CURRENT FAST CHARGER (“DCFC”) RATE

28. EJA did not take a position on this issue.

L. IT UPGRADES

29. EJA did not take a position on this issue.

M. RETAIL TARIFF

30. EJA did not take a position on this issue.

N. SUPPLIER TARIFF

31. EJA did not take a position on this issue.

O. BEHIND-THE-METER NON-EXPORTING BATTERY ENERGY STORAGE SYSTEMS

32. EJA did not take a position on this issue.

P. MISCELLANEOUS TERMS

33. EJA does not have any miscellaneous terms to address.

IV. VICE CHAIR BARROW'S OCTOBER 23, 2025 STATEMENT

34. EJA submitted expert testimony from its witness Karl R. Rábago analyzing and considering several of the issues raised by Vice Chair Kimberly Barrow in her October 23, 2025 statement. EJA, St. No. 1, Direct Testimony of Karl R. Rábago (Corrected), Docket No. R-2025-3057164 (Dec. 22, 2025); EJA, St. No. 1-SR, Surrebuttal Testimony of Karl R. Rábago, Docket No. R-2025-3057164 (Feb. 9, 2026).

35. Mr. Rábago's testimony analyzed PPL Electric's capital structure, including its debt-equity ratio and return on equity, in detail. EJA, St. No. 1, Direct Testimony of Karl R. Rábago (Corrected), 19–31, Docket No. R-2025-3057164 (Dec. 22, 2025); EJA, St. No. 1-SR, Surrebuttal Testimony of Karl R. Rábago, 24–31, Docket No. R-2025-3057164 (Feb. 9, 2026).

36. Mr. Rábago's testimony also analyzed cost allocation issues in connection with large load customers. EJA, St. No. 1, Direct Testimony of Karl R. Rábago (Corrected), 71–79, Docket No. R-2025-3057164 (Dec. 22, 2025); EJA, St. No. 1-SR, Surrebuttal Testimony of Karl R. Rábago, 35–40, Docket No. R-2025-3057164 (Feb. 9, 2026).

37. As noted *supra* at ¶ 21, the Joint Petition provides expanded protections for ratepayers from inequitable allocation of interconnection costs from large load customers.

38. Mr. Rábago's testimony also analyzed universal service issues in connection with large load customers. EJA, St. No. 1, Direct Testimony of Karl R. Rábago (Corrected), 17–18, Docket No. R-2025-3057164 (Dec. 22, 2025); EJA, St. No. 1-SR, Surrebuttal Testimony of Karl R. Rábago, 7–10, Docket No. R-2025-3057164 (Feb. 9, 2026).

39. As noted *supra* at ¶ 22, the Joint Petition provides for the allocation of \$11 million in USR costs to LP-6 customers starting 2027.

V. CONCLUSION

40. The Joint Petition represents a carefully crafted package of agreements reached among the parties after extensive good-faith negotiation and should be approved by the Commission without modification.

41. The Joint Petition avoids protracted litigation and enables the parties to avoid expending the substantial resources that would be required to fully litigate the Proceeding.

42. Accordingly, EJA respectfully requests that the Commission approve the Joint Petition without modification.

Dated: March 20, 2026

Respectfully submitted,

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