

COMMONWEALTH OF PENNSYLVANIA



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July 24, 2026

Via Electronic Filing

Matthew Homsher, Secretary
Pennsylvania Public Utility Commission
400 North Street, 2nd Floor
Harrisburg, PA 17120

Re: Potential Regulations for Interconnecting
Electric Loads; Docket No. L-2025-3059032

Dear Secretary Homsher:

Enclosed please find the Office of Consumer Advocate's Comments concerning the Commission's Secretarial Letter and Questions regarding Potential Regulations for Interconnecting Electric Loads in L-2025-3059032.

If you have any questions, please feel free to contact me.

Respectfully submitted,

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CERTIFICATE OF SERVICE

Potential Regulations for Interconnecting
Electric Loads

Docket No. L-2025-3059032

I hereby certify that I have this day filed electronically on the Commission's electronic filing system and served a true copy of the following document, the Office of Consumer Advocate's Comments Concerning Potential Regulations for Interconnecting Electric Loads, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant), in the manner and upon the persons listed below.

Dated this 24th day of June, 2026.

SERVICE BY E-MAIL ONLY

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Potential Regulations for Interconnecting
Electric Loads

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Docket No. L-2025-3059032

**Comments of the Office of Consumer Advocate
Concerning Potential Regulations for Interconnecting Electric Loads
Docket Number: L-2025-3059032**

Date Submitted: July 24, 2026

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Potential Regulations for Interconnecting
Electric Loads

Docket No. L-2025-3059032

I. INTRODUCTION

The Pennsylvania Office of Consumer Advocate (OCA) submits these Comments in response to the Pennsylvania Public Utility Commission's (Commission or PUC) Secretarial Letter issued in this docket seeking comments regarding the possibility of promulgating regulations for interconnecting electric loads, including large loads. The OCA represents the interests of utility consumers in matters properly before the Commission and is appreciative of the opportunity to provide these Comments on this important topic.

II. COMMENTS

The Commission's Electric Load Interconnection Question 1 asks:

1. What electric load interconnection issues should be addressed via regulation? Please list the specific issues and how a regulation would be beneficial.

The Commission must act appropriately and soon to address computational large loads given the increased costs, cost shifting, reliability risks, and market risks caused by these loads given the magnitude of their demand and their need for speed to power. Below is a chart that summarizes the OCA's recommendations for Commission action on data centers.

Emergency (Final-Omitted) Regulations, 45 P.S. §1204(2), (3)
Why is this action appropriate? - Emergency/final-omitted regulations are the appropriate action for the Commission to take for the issues listed below. Emergency regulations are timely because acting pursuant to 45 P.S. §1204(2), (3) permits the Commission to omit the elongated notice of proposed rulemaking procedures under 45 P.S. § 1201-1202 if the Commission for good cause finds that the elongated procedures are in the circumstances impracticable, unnecessary, or contrary to the public interest.

- Here, good cause exists given the circumstances of influx of data center demand in Pennsylvania and the PJM region and their speed to power that is outpacing available supply. Their unprecedented demand size and speed to power creates specific and unique costs, reliability risks, and market risks. It is contrary to the public interest for the Commission to address these issues through an elongated regulation process.
- Time is of the essence to protect existing consumers.

Which issues should be addressed by emergency (final-omitted) regulations?

- Regulation requiring EDC tariffs to require that all computational large load customers begin with a rebuttal presumption that the load is non-critical, with the opportunity for the computational large load entity to rebut the presumption with a showing to the EDC with verifications subject to penalty of perjury the extent of computational load that is critical. The computational large load entity's designation of critical load shall be subject to quarterly updates and verification by the customer and inspection by the EDC. The total demand size and electricity needs of the computational load facility and the load size of the designated critical load of the computational load facility shall be specified in an addendum to a negotiated agreement entered into pursuant to the EDC's tariff and shall be filed with the Commission, and subject to investigation by the Commission or parties pursuant to the Commission's procedural rules.
- Regulation requiring EDC tariffs to require computational large load customers, as a condition of interconnection, to configure interconnection facilities to segregate critical load from non-critical load for operational purposes so that during pre-emergency and emergency conditions, load sheds can be effectuated to the non-critical load portion of the computational large load facility, facilities, or campus. The segregations and related system configurations shall be subject to quarterly updates and verification by the customer and inspection by the EDC.
- Regulation requiring EDC tariffs to require computational large load customers, as a condition of interconnection, to install, at the customer's expense, enhanced metering capability sufficient to match the energy delivered by the electric generation suppliers with consumption by the customer relating to the segregated critical and non-critical load.
- Regulation requiring EDC tariffs to require computational large load customers, as a condition of interconnection, to be subject to a distribution-level queue where interconnection cannot be completed unless and until (1) the EDC is satisfied with the completion of the EDC's interconnection studies, as subject to reasonable fees in the EDC's tariff, (2) the EDC has verified, subject to PUC inspection, the segregation of critical and non-critical load through configuration of interconnection facilities (as explained above), (3) the EDC has verified, subject to PUC inspection, that the computational large load entity's electric generation supplier (EGS) will deliver energy to the EDC at locations and in amounts which are adequate to meet the EGS's obligations to the computational large load customer and the EGS's other customers; and (4) to the extent that the computational large load entity is meeting its electric demand through self-supply,

the EDC has verified, subject to PUC inspection, that the computational large load entity's self-supply arrangements will deliver energy to the EDC at locations and in amounts which are adequate to meet the electricity needs of the computational large load customer. The EDC's verification of supply arrangements should be subject to quarterly updates and verification by the customer and inspection by the EDC, especially at it relates to the computational large load entity's ramp schedules and the EGS' meeting the load ramp schedule or the self-supply arrangements meeting such load ramp schedule. Additionally, for self-supply, the EDC should verify that that the self-supply is sufficient meet the computational large load customer's electricity needs plus PJM-stipulated reserve margin.

- Regulations should prevent fast track interconnections by computational large loads unless all EDC tariff requirements are met and tariffs must make explicit that any accelerated interconnection requires, at a minimum, enforceable operating obligations that are capable of being executed by the EDC and computational large load entity to protect existing consumers when electric supply is low. Projects should advance when ready ("first-ready, first-served") and not wait for projects with earlier applications that are not achieving their milestones. A first-ready, first-served process provides projects with the incentive to quickly complete their milestones. To be "ready" the items identified in the bullet above must be satisfied. Additionally, permit status, site control, ability to construct facilities to take service by the time the EDC completes construction, and other factors should be used to determine if an interconnection request should continue to move forward. Factors that should not be considered for acceleration are the size of the load and the amount of fees paid.
- Regulation requiring EDCs to install, maintain, and operate its distribution facilities and the EDC's interconnecting facilities with the computational large load, and require the computational large load entity's customer interconnecting facilities to be installed, maintained, and operated, in conformity with the applicable operating rules, policies, actions, essential actions, criteria, requirements and standards of NERC, ReliabilityFirst, or successor organizations, and other applicable requirements.
- Regulations requiring EDCs to respond and comply with NERC's requests for information related to NERC's formal registry and new rules for computational large loads and computational large load entities.
- Regulation requiring EDCs to comply with Energy Emergency Alert (EEA) levels 1, 2, and 3 (EEA 1, EEA2, or EEA3) or other intervening emergency operations issuances, as declared by the Regional Transmission Operator (RTO), or other pre-emergency issues declared by the RTO, when regional or zonal electric supplies run low. If the RTO provides notification directly to a transmission utility to work with the EDC to take necessary steps to coordinate with computational large loads for the computational large load entity to use back-up generation, the EDC shall comply by requiring the computational large load to use back-up generation subject to the EDCs' mandatory interruptible rates in its tariff and consistent with the EDC's tariff emergency operating procedures.

- Regulation requiring EDC tariffs to impose, as a condition of interconnection and service, mandatory interruptible rates and reasonable operating procedures applicable to computational large loads during pre-emergency and emergency conditions when electric supplies are low, as declared by the RTO.
- Regulation requiring the EDC to report to the Commission with copies to the statutory advocates on the above requirements.
- Regulation requiring negotiated agreements pursuant to tariffs entered between the EDC and a computational large load entity be publicly filed with the Commission with redactions to protect confidential or confidential security information as appropriate. Confidential versions should be made available to statutory advocates subject to a protective order.
- Regulations specifying statewide emergency curtailment hierarchy in the event of regional, zonal, or state supply shortages, transmission outages, and federal/RTO emergency directives. Regulations should specify which entities are critical public infrastructure, and to the extent a computational large load entity has designated and segregated critical load, whether and how long such computational critical load with dual fuel capability can or should be subject to load shedding or rotating outages. Computational large loads and dual fuel large loads should be the first tier for emergency load sheds prior to, and to the extent of preventing, any load shed directed at residential and small commercial customer areas. After critical load, residential and small commercial customers should be kept online/on system during standard emergency procedures and only subjected to load shedding or rotating outages as an absolute last resort.

Final order containing adjudication based on a formal record, 66 Pa. C.S. §§ 501(a), 502, 1309, 1505; 52 Pa. Code § 5.1(a)(3).

Why is this action appropriate?

- A final order containing adjudication of, as based on a formal record, is the appropriate action for the Commission to initiate for the issues listed below because the facts surrounding these issues may vary to a certain extent on an EDC-by-EDC basis. Action by this manner can be timely by proceeding on statutory timeframe of Section 1309 of the Public Utility Code and based on presiding officer-determined procedural schedules.
- The Commission can, upon its own motion, commence action to investigate, or enter an order to show cause, as to why the utility's existing rates and service satisfy applicable statutory standards under the Public Utility Code given the addition of data centers to the utility's service territory and in light of the specific cost, reliability, and market risks posed by data centers. 66 Pa. C.S. §§ 1309; 1505, 52 Pa. Code § 5.1(a)(3). The Commission has the full power, authority, and duty to act by order in an adjudication of an adversarial proceeding requiring the development of a formal record to enforce the Public Utility Code and the Commission's regulations. 66 Pa. C.S. §§ 501(a), 502.
- Time is of the essence to protect existing consumers.

Which issues should be addressed on the basis of a formal evidentiary record?

- Creation of a separate rate classification for computational large loads.
- Tariff provisions that condition interconnection and service on negotiated agreements that must contain provisions that are consistent with tariff provisions preventing cost shifting from data centers to existing customers including ramp limits, minimum contract terms, minimum demand provisions, study deposits, contributions in aid of construction, recovery from but-for causers of 100% of transmission network upgrade costs that are supplemental projects, financial security, exit fees, curtailment priority, mandatory telemetry, data reporting, and public policy charge obligations, consistent with the policy framework articulated by the Commission in its Model Tariff Order.
- Tariff provisions that adequately address cost assignment and allocation of costs, which are but-for caused by computational large loads, including interconnecting facilities, distribution line extensions, and transmission network upgrades built as supplemental projects.
- Establishment of just and reasonable rates for default service and shopping customers to prevent subsidizing by existing customers of the increased wholesale and transmission costs caused by data centers' integration to the PJM power grid.
- Tariff provisions to ensure protection of existing consumers from broad cost responsibility, reporting, and change-in-rules provisions that remain durable as PJM and FERC rules evolve so that consumer protections continue to function as PJM implements capacity reforms, curtailment reforms forecasting reforms, interconnection reforms, or related market changes.
- Tariff provisions that condition the interconnection of computational large loads upon (1) the completion of required interconnection studies and payment of reasonable study fees to the EDC's satisfaction, (2) the EDC's verification of the computational load entity's designation of critical load of the subject facility, facilities, or campus; (3) the EDC's verification of segregation of critical and non-critical load through appropriate configuration of interconnection facilities and metering to enable the curtailment of non-critical load during emergency conditions, (4) the EDC's verification that the computational large load entity's electric generation supplier (EGS) will deliver energy to the EDC at locations and in amounts which are adequate to meet the EGS's obligations to the computational large load customers and its other customers; and (5) to the extent that the computational large load entity is meeting its electric demand through self-supply, the EDC's verification that the computational large load entity's self-supply arrangements will deliver energy to the EDC at locations and in amounts which are adequate to meet the electricity needs of the computational large load customer. The EDC's verification of supply arrangements should be subject to quarterly updates and verification by the customer and inspection by the EDC, especially at it relates to the computational large load entity's ramp schedules and the EGS' meeting the load ramp schedule or the self-supply arrangements meeting such load ramp schedule. Additionally, for self-supply, the EDC

should verify that that the self-supply is sufficient meet the computational large load customer's electricity needs plus PJM-stipulated reserve margin.

- EDC tariff requirements to prevent fast track interconnections by computational large loads unless all EDC tariff requirements are met and conditioning any accelerated interconnection, at a minimum, upon enforceable operating obligations that are capable of being executed by the EDC and computational large load entity to protect existing consumers when electric supply is low. Projects should advance when ready ("first-ready, first-served") and not wait for projects with earlier applications that are not achieving their milestones. To be "ready" the items identified in the bullet above must be satisfied. Additionally, the computational large load customer must demonstrate permit status, site control, ability to construct facilities to take service by the time the EDC completes construction, and other factors to demonstrate that an interconnection request should continue to move forward. Tariff provisions may not permit acceleration of interconnection due to the size of the load or the amount of fees paid by the computational large load entity.
- Establishment of mandatory interruptible rates applicable to computational large load customers and establishment of tariff operating procedures that protect residential and small commercial customers from load shedding and direct curtailment performance by computational large load entities consistent with the EDC's emergency operations and/or issuances from the RTO, subject to tariff penalties imposed upon computational large load customers for non-performance with interruptible obligations.
- Establishment of a contribution amount by computational large loads to universal service programs to mitigate the rising wholesale and transmission costs caused by data centers' integration to the PJM power grid.

Regulations using the notice of proposed rulemaking procedures, 45 P.S. §§ 1201-1202

Why is this action appropriate?

- Elongated rulemaking is appropriate action by the Commission for the issues listed below pursuant to 45 P.S. §§ 1201-1202.

Which issues should be addressed in a notice of proposed rulemaking?

- EDC load forecasts, proceedings, adjustments, avoiding duplications of forecasted load entities, PUC reporting, and reporting to PJM.
- Creation of a statewide computational large load registry.
- Capacity mapping in each EDC territory, and which information should be designated as confidentiality or CSI protections, as appropriate.
- Mandatory bring your own capacity requirements for computational large load entities.

The Commission’s Electric Load Interconnection Question 2 asks:

2. Should regulations concerning load interconnection be formulated and applicable by customer class, interconnection voltage or tariff rate?

As it relates to large loads, the OCA proposes that load interconnection to electric distribution systems recognize the North American Electric Reliability Corporation (NERC) definition of Computational Load Entity. The Commission had proposed to define a Large Load Customer to mean “a customer connected to the electric distribution system with maximum Contract Capacity of over 50 MW individually or multiple closely located customers with maximum Contract Capacity of 100 MW in the aggregate.”¹ In contrast, PJM defines a Large Load as “End-use customer load that has a cumulative peak load quantity $\geq$ [greater than or equal to] 50 MWs at each delivery point or Point of Interconnection.”² In April 2026, the North American Electric Reliability Corporation (NERC) offered a definition of a Computational Load Entity. Specifically, NERC proposes: “At a minimum, an entity registered as a Computational Load Entity will be subject to at least one NERC Reliability Standard requirement (to be determined through the NERC Standards development process). In the proposed revisions to the NERC Rules of Procedure, NERC proposes to register entities that contribute to an aggregate capability of 20 megawatt[s] (MW) connected at a BPS voltage greater than or equal to 60 kilovolts (kV), with 1 MW or greater of Computational Load.”³

Since NERC is the technical reliability authority and is proposing the registration of Computational Load Entities, the OCA recommends that the term Computational Load Entity or

¹ *Interconnection and Tariffs for Large Load Customers*, Docket No. M-2025-3054271 (Final Order entered May 12, 2026) (Model Tariff Order), Appendix.

² PJM, CIFP Connect & Manage – PJM Proposal, June 23, 2026, p. 2, <https://www.pjm.com/-/media/DotCom/committees-groups/cifp-rbp/2026/20260630/20260630-item-02a---pjm-stage-4-proposal---connect-and-manage---executive-summary.pdf>.

³ NERC, Technical Reasoning Proposed Computational Load Entity, April 2, 2026, p. 1.

Computational Load Entities be defined consistent with NERC’s definition. NERC’s definition captures the unique technical characteristics of these loads and enables distinguishing them from other industrial loads. For clarity and given the widespread use of the term “large load” and “large load customers,” the remainder of these Comments use lower case “large load.”

The Commission’s Electric Load Interconnection Question 3 asks:

3. Should load interconnection requests have different review levels based on load size, similar to generation interconnection review levels? If yes, please provide the load size range for each level of review and the rationale for these levels.

The overarching requirement for the review of a large load interconnection request is its impact on reliability. Both the size of the individual load and its aggregation can impact reliability.⁴ EDCs should review such interconnection requests based upon existing Public Utility Code requirements and NERC and PJM standards and practices, acknowledging that these technical reviews are evolving as the industry becomes more familiar with the reliability impacts of large loads. For example, Section 2807(a) requires EDCs to verify that the computational large load entity’s electric generation supplier (EGS) will deliver energy to the EDC at locations and in amounts which are adequate to meet the EGS’s obligations to the computational large load customers and its other customers. 66 Pa. C.S. § 2807(a). The EDC should condition interconnection and service on being able to verify that the computational large load’s EGS or self-supply arrangements will be delivered to the EDC at locations and in amounts adequate to meet

⁴ NERC, Technical Reasoning Proposed Computational Load Entity, April 2, 2026, p. 2, “As noted in the NERC RSTC Large Load Task Force6 White Paper, ‘Characteristics and Risks of Emerging Large Loads’ (Whitepaper #1 [p. 3]), certain large loads pose a material impact to the reliability of the BPS due to 1) the size and electrical behavior of individual entities and 2) regardless of individual size, the large amount of these entities in aggregate.” Whitepaper #1 refers to NERC, Large Load Task Force White Paper, Characteristics and Risks of Emerging Large Loads, July 2025, <https://www.nerc.com/globalassets/who-we-are/standing-committees/rstc/whitepaper-characteristics-and-risks-of-emerging-large-loads.pdf>.

the customer's demand. 66 Pa. C.S. § 2807(a). In addition to Section 2807(a), requiring verifications at the time of interconnection that protect reliability of service for existing customers are authorized and enabled under Sections 1501 and 2805 of the Public Utility Code. Specifically, EDCs are required to coordinate and cooperate with PJM, NERC, and *ReliabilityFirst* to ensure the continued provision of adequate, safe and reliable electric service to the citizens and businesses of this Commonwealth. 66 Pa.C.S. § 2805(a). EDCs are required to provide and maintain service to existing customers that is safe, adequate, efficient, reasonable, reasonably continuous and without unreasonable interruptions or delay. 66 Pa. C.S. § 1501.

In contrast, the interconnection requests of new residential and small business customers should not change from the present practice. The size and types of electrical loads for these customers are distinct from computational large loads and do not have the potential reliability impact that Computational Load Entities may have.

The Commission's Electric Load Interconnection Question 4 asks:

4. If there is generation collocated with the load, should there be an expedited process for the generation to be interconnected at the same time the load is interconnected?

There are active dockets before the Federal Energy Regulatory Commission (FERC) with PJM regarding co-location requirements and tariff provisions.⁵ The OCA supports specific interconnection provisions and review processes for generation to be interconnected at the time as the load. These provisions should account for the combined reliability impact and need for transmission upgrades of the collocated load and generation. In many cases, the collocated arrangement may reduce the need for transmission studies and upgrades, thereby expediting the interconnection of the proposed load and generation. The collocation interconnection review

⁵ FERC Docket Nos. E125-49-000, *et al.*

process should be designed so that if a specific co-location interconnection proposal mitigates the need for transmission studies and upgrades compared to studying the proposed load and generation separately, the result is an expedited interconnection process. For all types of projects, reliability considerations should not be sacrificed, and EDCs should have sufficient time to conduct a comprehensive review.

The Commission's Electric Load Interconnection Question 5 asks:

5. Some electric distribution companies (EDCs) provide online portals for the interconnection of distributed energy resources. Should the same be provided for load-interconnecting applicants to submit all applications and supporting documents? Please list the benefits or drawbacks.

The OCA is agnostic on the issue of, and can see the benefit of, EDCs establishing a dedicated portal for processing load-interconnection applications to address interconnections and provide transparency regarding interconnection requests and details. However, the costs of the EDC portal should be recovered from applicants via application fees and a large load rate schedule. The portals should satisfy industry cybersecurity requirements and protect confidential data.

The Commission's Electric Load Interconnection Question 6 asks:

6. What are some methods that may be used to discourage applicants from submitting duplicative projects with different EDCs?

Duplicative large load projects that are submitted to different EDCs, within Pennsylvania and across the rest of PJM, are a major problem because they get captured in the EDC load forecasts sent to PJM and increase the costs of transmission planning and wholesale capacity prices.

There are several methods to discourage applicants from submitting duplicate projects with different EDCs. These methods include reasonable fees and deposits as projects complete key milestones in the application and interconnection process, requiring applicants to identify all other

projects and key characteristics (e.g., size, timing, location, etc.) that they are pursuing in Pennsylvania and the rest of PJM, and possible referral to federal and state regulators of potential legal and regulatory violations and associated penalties, suspension, and cancellation of interconnection requests.

Also, there is a role for the Commission to review and determine whether duplicative requests are contained within the EDC's load forecasts that are used as the basis for transmission planning and capacity markets. The Commission's role in load forecasting is being addressed at a separate docket, M-2025-3058814.

The Commission's Electric Load Interconnection Question 7 asks:

7. In order to establish a position in the EDC's queue, would requiring a load interconnection applicant to pay a fee, based on the level of review, be effective in minimizing duplicative projects with different EDCs?

This question assumes there is a distribution-level queue. However, many of the EDC responses to data requests in this docket indicate that a distribution level queue does not exist. The Commission should require that each EDC establish an interconnection queue for computational large loads where interconnection cannot be completed unless and until (1) the EDC is satisfied with the completion of the EDC's interconnection studies, as subject to reasonable fees in the EDC's tariff, (2) the EDC has verified, subject to PUC inspection, the segregation of critical and non-critical load through configuration of interconnection facilities (as explained above), (3) the EDC has verified, subject to PUC inspection, that the computational large load entity's electric generation supplier (EGS) will deliver energy to the EDC at locations and in amounts which are adequate to meet the EGS's obligations to the computational large load customers and its other customers; and (4) to the extent that the computational large load entity is meeting its electric demand through self-supply, the EDC has verified, subject to PUC inspection, that the

computational large load entity's self-supply arrangements will deliver energy to the EDC at locations and in amounts which are adequate to meet the partial ramp or full ramp demand of the computational large load customer. The EDC's verification of supply arrangements shall be subject to mandatory, quarterly updates, verification, and inspection by the EDC.

Any such policy should protect ordinary customers from funding the costs of studies and minimize the potential that other rate classes or other customers within the same rate class may be responsible for some portion of the costs of conducting the studies.

The Commission's Electric Load Interconnection Question 8 asks:

8. Should projects be able to move ahead of other projects in the queue based on completion of certain milestones? If so, please offer the criteria and conditions that should be considered and any that should not be a determining factor.

Projects should advance when ready ("first-ready, first-served") and not wait for projects with earlier applications that are not achieving their milestones. A first-ready, first-served process provides projects with the incentive to quickly complete their milestones. To be "ready" the items identified in response to Question 7 must be satisfied. Additionally, permit status, site control, ability to construct facilities to take service by the time the EDC completes construction, and other factors should be used to determine if an interconnection request should continue to move forward. Factors that should not be considered are the size of the load and the amount of fees paid.

Any accelerated interconnection requires, at a minimum, enforceable operating obligations that are capable of being executed by the EDC and computational large load entity to protect existing consumers when regional or zonal electric supply is low.

The Commission's Electric Load Interconnection Question 9 asks:

9. What if any protocols should be in place for circumstances where an applicant can jump ahead in the queue?

See responses to questions 7 and 8 above.

The Commission's Electric Load Interconnection Question 10 asks:

10. For the load interconnection applications, should the EDCs charge an application fee? If yes, please answer the following:

- a) Should a fee be required for load sizes above a certain minimum threshold and should such a fee increase based on the size of load? If so, what should that threshold be?**
- b) What payment methods should EDCs accept?**
- c) Should EDCs allow for electronic payments without administration fees?**
- d) Should an EDC's costs for processing load interconnection requests be aligned with the cost structure for load interconnection application fees?**
- e) Should there be more oversight of load interconnection application fees to avoid any potential arbitrary fees?**

EDCs should charge applications fees.

Regarding 10 a), the OCA supports fees based on the cost of the work required by the EDC.

Whether these fees vary by load size should be incidental.

Regarding 10 b), EDCs should accept payments in accordance with current acceptable business practices and should not proceed to the next step of an application until full payment for that step has been received.

Regarding 10 c), the OCA supports minimizing and eliminating third-party payment processing fees to the extent possible. The costs of administering the payment should be included in the overall fee and not in another fee. EDCs should allow for electronic payments and only charge administrative fees to cover the costs of electronic payments.

Regarding 10 d), an EDC's costs for processing load interconnection requests should be based on the costs of processing a load interconnection request, which may or may not align with the cost structure for load interconnection application fees. If there is any difference between the cost and fee, it should be identifiable as an incentive to minimize duplicative applications or otherwise promote some public policy. Differences between costs and fees should either be

included in costs which the EDC must otherwise recover through rates or contribute to universal service program funding.

Regarding 10 e), the oversight of load interconnection fees should be consistent with the Commission's current practices. The EDC should be required to include the fee schedule in its tariff or provide public notice of its fee schedule and any adjustments thereto. Adjustments should be supported by a cost basis, and the EDC should bear the burden of proof to demonstrate the justness and reasonableness of the costs of its fees.

The Commission's Electric Load Interconnection Question 11 asks:

11. Once a load interconnection request is submitted, what information should the EDC provide to the applicant, and by what means and frequency? Examples may include queue position, status of load study, anticipated timeline for completion, etc.

Once a load interconnection request is submitted, the EDC should inform the applicant if the application is complete, and if not, what is missing; when the application is moved to the next step, and any additional information, fees, or decisions that the applicant needs to act upon; the applicant's position in the queue; and the anticipated timeline for completion.

The Commission's Electric Load Interconnection Question 12 asks:

12. Should there be prescribed timelines and timeframes for completing the various steps in the load interconnection application review process? If so:

- a) Please provide a list of steps in the process and a reasonable time to complete each step. Please include various studies that may be required as part of the review process.**
- b) What is a reasonable timeframe to complete a load interconnection application review?**
- c) What timeline should exist for EDCs to complete the review of collocated load and generation requests, if any?**
- d) If an EDC exceeds its expected review timeline, what actions should the EDC be required to take?**

EDCs should propose the steps and timelines for completing each step in their load interconnection application review process. The OCA does not have specific comments on the specific questions 12 a)-d) except to note that EDCs should not be able to recover the cost of any financial penalty, if there are such penalties, if EDCs do not complete an application review step in a timely manner from ratepayers.

The Commission's Electric Load Interconnection Question 13 asks:

13. Should there be separate queues for both generation and load interconnection requests? Why or why not?

Generation and load queues should be coordinated, and over time, integrating them may be beneficial. Collocated generation and load applications should be considered together, as discussed in subsection D of this section.

The Commission's Electric Load Interconnection Question 14 asks:

14. How should the Commission address situations where there are exigent circumstances delaying a project's review or approval to interconnect from proceeding? Examples of these circumstances may include unexpected developments, need for additional studies, changing guidelines, etc.

Exigent circumstances may occur that delay a project's review or approval. The Commission's policies and regulations should provide for exigent circumstances, consistent with the Commission's use and utilities' use of this term in their tariffs. Exigent circumstances may require additional studies and associated costs, and provisions should be considered to allow the EDC to recoup them.

The Commission's Electric Load Interconnection Question 15 asks:

15. Should EDCs be required to provide hosting capacity maps?

- a) If yes, what are the benefits, if any, of requiring EDCs to develop hosting capacity maps containing EDC feeder data and locations for substations, distribution transformers, line voltage, and related distribution assets?
- b) What are the concerns regarding this requirement, if any?

c) What aspects should be considered for these hosting capacity maps? Examples may include the frequency of updates, transparency, filtering and toggling mechanisms, size and number of applications for a certain location, identified system constraints, complaint process, etc.

Regarding 15 a), EDCs should be required to provide hosting capacity maps. Doing so informs the location decisions of generation, load, and distributed energy resources (DER). Such information is valuable for reducing interconnection costs, benefiting interconnection applicants and ordinary ratepayers.⁶

Regarding 15 b), the concern regarding hosting capacity maps is their potential cost of creating and updating in a timely manner. Furthermore, applicants understand that their specific interconnection request determines the studies, upgrade requirements, and costs, and not based on hosting capacity maps.

Regarding 15 c), hosting capacity maps should be updated at least once a quarter and when any major changes occur to the EDC system. Available headroom, its location, pending applications and types of applications, are information that should be provided. Educational materials on how to use hosting capacity maps should be provided and targeted at ordinary ratepayers considering distributed energy resources.

The Commission's Electric Load Interconnection Question 16 asks:

16. Should EDCs be required to publish a public list of projects in an EDC's load interconnection queue?

- a) What are the benefits, if any, of requiring EDCs to post on its website a list of projects in its load interconnection queue that includes the project's queue position, nameplate capacity, and circuit identifier in a manner that protects the identity of the project owner and the location of the project?**
- b) What are the concerns regarding this requirement, if any?**

⁶ Statement of Vice Chair Kimberly Barrow, Interconnection and Tariffs for Large Load Customers, April 30, 2026, <https://www.puc.pa.gov/pcdocs/1926632.pdf>.

c) What aspects should be considered for these public lists of projects? Examples may include timing for updates, transparency, filtering and toggling mechanisms, complaint process, etc.

EDCs should be required to publish a list of projects in their load interconnection queue with sufficient protections for confidential information. The available information should be commensurate with that currently provided in the PJM generation interconnection queue.

Regarding 16 a), the benefit of such information is that it provides information to the Commission and PJM useful for load forecasting and planning purposes.

Regarding 16 b), the concern is providing commercially sensitive business and critical infrastructure data.

Regarding 16 c), the available data should be updated regularly and include filtering and toggling capabilities on size, whether collocated, and location to facilitate its use. A complaint process should also be available to allow the EDC to be of incomplete, inaccurate, or missing data.

III. UPDATING EDCS' EMERGENCY LOAD CONTROL PLANS

The rapid and massive expansion of data centers and the lack of commensurate supply are challenging PJM's reliability. Recent heat waves in late June and July have required PJM to declare emergency alerts to maintain reliable grid operations.⁷ EDCs are required to have on file with the Commission Emergency Load Control and Energy Conservation Plans.⁸

⁷ PJM Inside Lines, PJM Hot Weather Operations Update – July 14, 2026, <https://insidelines.pjm.com/pjm-hot-weather-operations-update-july-14-2026/> and June 30, 2026, <https://insidelines.pjm.com/pjm-operations-update-june-30-2026/>.

⁸ 52 Pa. Code §57.52(a)-(b), “A utility shall establish procedures for controlling load and emergency conservation. (1) These procedures shall include schedules of load shedding priorities to be followed in compliance with subsection (a). (2) These procedures may be revised by the utility, and shall be revised if required by the Commission. (3) A copy of the procedures or of the revision currently in effect shall be kept available for public inspection at the office at which the utility maintains a copy of its tariff for public inspection, and another copy shall be kept on file with the Commission's Bureau of Conservation, Economics and Energy Planning.”

More specifically, EDCs must include in its electric tariff rules and regulations filed with the Commission addressing emergency load control that conforms with the Commission's regulations. 52 Pa. Code § 57.52(a). EDCs must take reasonable steps to bring the demands within the then-available capacity or to otherwise control load. *Id.* The steps must include, but are not limited to, reduction or interruption of service to one or more customers, in accordance with the utility's procedures for controlling load. *Id.* In the event of an emergency energy conservation situation, the utility shall take reasonable measures that it believes necessary and proper to conserve available fuel supplies. *Id.* The measures may include, but are not limited to, reduction, interruption or suspension of service to one or more of its customers or classes of customers in accordance with the utility's procedure for emergency energy conservation. *Id.*

EDCs must establish procedures for controlling load and emergency conservation. 52 Pa. Code § 57.52(b). Such procedures must include schedules of load shedding priorities to followed in compliance with Section 57.52(a). *Id.* These procedures may be revised if required by the Commission. *Id.*

The Commission may "order customers by whatever scheme to curtail usage during abnormal peaks" in order to preserve the reliability of a jurisdictional utility's distribution system, "as long it provides substantial reasons why there is no reasonable alternative so competition needs to bend to ensure overall system reliability." *PP&L Indus. Cust. Alliance v. Pa. PUC*, 780 A.2d 773, 782 (Pa. Cmwlth. 2001). Indeed, "only the distributor is in position to enhance system reliability because of the myriad of generators and transmission companies that place power in a particular distribution grid." *Id.*

On July 14, 2026, PJM's capacity market cleared 6,831 megawatts (MW) short of PJM's reliability requirement, "meaning that the committed supply is less than what would be required

to meet the one-event-in-10-year reliability standard.”⁹ The situation is likely to worsen over the next several years as data center load continues to grow faster than new supply.¹⁰

With demand outstripping supply now and for the foreseeable future, EDCs should be required to update their Load Control and Energy Conservation Plans to ensure that their load-shedding procedures require large loads to be curtailed before residential customers. During likely times of electricity supply shortages – extremely cold or hot weather – residents require electricity to protect their safety and health. Data centers have backup power and, in some cases, the ability to reduce their electricity demand, whereas the typical household does not. An exception to this large load curtailment-first policy could be warranted for the certified portion of a large load deemed critical or vital by the federal government or Pennsylvania, so long as the large load can curtail all its remaining non-critical load.¹¹

IV. VERIFYING SUPPLY ARRANGEMENTS AS A CONDITION OF INTERCONNECTION

As previously noted, PJM does not have sufficient capacity to support the rapid, massive build-out of large loads. EDCs should not be allowed to interconnect new large loads unless and until the EDC can verify that the computational large load entity's electric generation supplier (EGS) will deliver energy to the EDC at locations and in amounts which are adequate to meet the

⁹ PJM Inside Lines, PJM Capacity Auction Procures 138,318 MW of Generation Resources as Work Continues To Address Growing Electricity Demand, July 14, 2026, <https://insidelines.pjm.com/pjm-capacity-auction-procures-138318-mw-of-generation-resources-as-work-continues-to-address-growing-electricity-demand/>.

¹⁰ Pittsburgh Public Source, Regional electricity price hits cap again in latest auction, July 16, 2026, <https://www.publicsource.org/pjm-electricity-energy-pennsylvania-utilities-rates/#?text=These%20auction%20results%20show%20that.and%20CEO%20David%20Mills%20said>, “ ‘ These auction results show that demand for electricity continues to grow faster than electricity supply,’ PM President and CEO David Mills said.”

¹¹ For additional discussion, see the Direct Testimony of Frank A. Felder, Ph.D., Letter of Notification of PPL Electric Utilities Corporation Filed Pursuant to 52 Pa. Code Chapter 57 Subchapter G, for Approval to Build Approximately 1.1 Miles of New Parallel Double Circuit 230 kV Transmission Taps that are Needed to Connect the Existing Susquehanna-Harwood #1 & #2 Transmission Lines on the New Tomhicken 230 kV Switchyard that are Respectively Located in Luzerne County, Pennsylvania, Docket No.: A-2025-3059443, July 8, 2026.

EGS's obligations to the computational large load customer and its other customers. 66 Pa. C.S. §§ 2807(a), 2805(a), 1501. Alternatively, to the extent that the computational large load entity is meeting its electric demand through self-supply, the EDCs should not be allowed to interconnect new large loads unless and until the EDC can verify that the computational large load entity's self-supply arrangements will deliver energy to the EDC at locations and in amounts which are adequate to meet the electricity needs of the computational large load customer. *Id.*

The EDC's verification of supply arrangements should be subject to quarterly updates and verification by the customer and inspection by the EDC, especially at it relates to the computational large load entity's load ramp schedules and the EGS or self-supply arrangements meeting such load ramp schedule. Additionally, for self-supply, the EDC should verify that that the self-supply is sufficient meet the computational large load customer's electricity needs plus PJM-stipulated reserve margin. These requirements ensure resource adequacy because new large loads will either have brought sufficient new capacity to meet their load and associated reserve requirements or will be curtailed before all other non-large-load customers.¹²

Although PJM is working with stakeholders on a proposal regarding possible restrictions on the interconnection of new large loads to PJM, PJM's most recent proposal, which has not been filed at FERC, does not require new large loads to bring their own new capacity.¹³ States hold primary authority over resource adequacy under the Federal Power Act, 16 U.S.C. Section 824(b)(1), and requiring the EDCs to carry out their obligations under the Public Utility Code to

¹² Direct Testimony of Frank A. Felder, Ph.D., Letter of Notification of PPL Electric Utilities Corporation Filed Pursuant to 52 Pa. Code Chapter 57 Subchapter G, for Approval to Build Approximately 1.1 Miles of New Parallel Double Circuit 230 kV Transmission Taps that are Needed to Connect the Existing Susquehanna-Harwood #1 & #2 Transmission Lines on the New Tomhicken 230 kV Switchyard that are Respectively Located in Luzerne County, Pennsylvania, Docket No.: A-2025-3059443, July 8, 2026.

¹³ PJM, PJM Connect & Manage CIFP Proposal Stage 4, June 23, 2026, pp. 3-4, <https://www.pjm.com/-/media/DotCom/committees-groups/cifp-rbp/2026/20260630/20260630-item-02a---pjm-stage-4-proposal---connect-and-manage---executive-summary.pdf>.

ensure reliable and adequate service, 66 Pa. C.S. Sections 1501, 2805(a), by verifying that a computational large load customer's EGS or self-supply arrangements will adequately meet their partial or fully ramped demand, 66 Pa. C.S. Section 2807(a), passes constitutional scrutiny as it does not take aim of affecting FERC-regulated wholesale market prices. *Hughes v. Talen Energy Marketing, LLC*, 136 S. Ct. 1288 (2016).

It is worth noting that the Data Center Coalition, the membership association of the data center industry supports a new capacity requirement: "We agree that reliability must be maintained and that new capacity should accompany significant new load additions."¹⁴

V. CONCLUSION

The OCA's Comments were prepared in consultation with, and with the assistance of Frank A. Felder, Ph.D., of Independent Electricity Consultants.

Respectfully submitted,

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¹⁴ Data Center Coalition, DCC Connect & Manage Alternative: State-Led Implementation with Immediate Residential Consumer Protection, June 23, 2026, <https://www.pjm.com/-/media/DotCom/committees-groups/cifp-rbp/2026/20260630/20260630-item-02i---data-center-coalition---cm---executive-summary.pdf>.