AN EXELON COMPANY

Anthony E. Gay
Vice President & General Counsel
2301 Market Street / S23-1
Philadelphia, PA 19103

Direct Dial: 267.533.1964
Mobile: 215.385.2881
Email: anthony.gay@exeloncorp.com

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VIA eFiling

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

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

Dear Secretary Homsher:

Enclosed please find the **Comments of PECO Energy Company** for filing in the above-referenced docket.

If you have any questions regarding this filing, please do not hesitate to contact me at 267.533.1964.

Very truly yours,

Anthony E. Gay

Enclosures

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

POTENTIAL REGULATIONS FOR INTERCONNECTING ELECTRIC LOADS	**:** **:** **:**	**DOCKET NO. L-2025-3059032**

COMMENTS OF PECO ENERGY COMPANY

I. INTRODUCTION

On June 22, 2026, the Pennsylvania Public Utility Commission (the "Commission" or "PUC") issued a Secretarial Letter in the above-captioned docket seeking comments from interested parties regarding the possibility of promulgating regulations for interconnecting electric loads, including large loads. Specifically, the Commission sought comments in response to sixteen questions that were appended to the Secretarial Letter within 20 calendars days of publication in the *Pennsylvania Bulletin*. Publication occurred on July 4, 2026, and therefore comments are due on July 24, 2026. This request for comments followed the Commission's adoption of a final order in Docket No. M-2025-3054271, in which the Commission adopted a model tariff for customers with load at or over 50 megawatts ("MW") or 100 MW in the aggregate (the "Model Tariff").[1]

PECO Energy Company ("PECO" or the "Company") supports the Commission's efforts to gather information about electric load interconnection topics and consider whether and how regulation may be appropriate. PECO appreciates the opportunity to work with the other EDCs,

[1] PECO notes that the questions raised by the Commission in this proceeding overlap with many of the issues the Commission considered, and which PECO and other parties commented on, in the Model Tariff proceeding. In answering the questions addressed in these comments, PECO has considered the different nature of potential regulations versus the Model Tariff, which serves as a guideline to the EDCs in developing their own individual large load tariffs that will be subject to Commission review. PECO also respectfully requests that the Commission, in its response to comments here, address how it anticipates potential interconnection regulations may interact with the recently-adopted Model Tariff.

customers, statutory advocates, and other key stakeholders to consider these important issues. PECO addresses each of the sixteen questions in its comments below.

As the Commission considers regulations in this fast-developing area, PECO notes that there are a number of proceedings at the Federal Energy Regulatory Commission ("FERC") as well as initiatives at PJM Interconnection, L.L.C. ("PJM") that may directly influence the nature and scope of such regulations.[2] PECO believes that the Commission should evaluate the status of those proceedings and the timeline for any Commission regulations to ensure consistency and minimize potential conflicts.

II. COMMENTS IN RESPONSE TO ELECTRIC LOAD INTERCONNECTION QUESTIONS

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 should exercise caution before adopting prescriptive load interconnection regulations. To the extent regulations are pursued, they should be limited to Commission-jurisdictional matters and should focus on establishing enabling authority and guiding principles rather than detailed procedural requirements. Potential areas for consideration include: (1) authority for EDCs to recover reasonable interconnection application, study, and related administrative costs from applicants; (2) authority for EDCs to administer queues through utility-specific readiness and milestone requirements; (3) clarification that EDCs may, but are not required to, offer flexible interconnection arrangements where supported by engineering analyses and enforceable operating commitments; (4) clarification of the interaction between

[2] *See, e.g.*, *Interconnection of Large Loads to the Interstate Transmission System*, 195 FERC ¶ 61,045 (2026) (order regarding intent to act on potential reforms regarding interconnection of large loads); *PJM Interconnection, L.L.C.*, 195 FERC ¶ 61,211 (2026) (order instituting a show cause proceeding regarding PJM's Tariff with respect to large loads and co-location); *PJM Interconnection, L.L.C.*, 193 FERC ¶ 61,217 (2025), *order on reh'g*, 195 FERC ¶ 61,209 (2026) (order directing PJM to make a compliance filing regarding interconnection Tariff provisions).

Commission-jurisdictional load interconnection processes and applicable PJM Interconnection, L.L.C. ("PJM") and Federal Energy Regulatory Commission ("FERC") requirements; and (5) confirmation that EDCs retain appropriate and necessary discretion over the design, construction, and operation of infrastructure that will be integrated with their systems. The Commission should avoid prescriptive requirements governing study timelines, customer communications, application portals, capacity maps, queue publication, or other operational matters that are best addressed through utility-specific tariffs and business practices.

Application Fees. The Commission should consider regulations that expressly authorize EDCs to assess reasonable application fees, study deposits, and other charges associated with reviewing and processing load interconnection requests. As the volume and complexity of load interconnection applications continues to increase, particularly for large commercial and industrial loads, EDCs are incurring significant administrative, engineering, planning, and consulting costs that are directly attributable to individual applicants. Regulations should reinforce the principle that applicant-specific costs should be borne by applicants, rather than other ratepayers. At the same time, the Commission should avoid prescribing specific fee amounts or fee schedules. Instead, EDCs should be permitted to establish or propose utility-specific fee structures through their Commission-approved tariffs or other appropriate mechanisms. This approach would preserve flexibility to reflect differences among utility systems, application volumes, and review processes. Any regulation addressing cost recovery should also be drafted to avoid directing the allocation or recovery of FERC-jurisdictional transmission facility costs.

Queue Management/Readiness Milestones. The Commission should consider regulations that expressly authorize EDCs to establish and administer reasonable queue-management procedures through their tariffs and operating practices. Effective queue management is essential

to ensure that interconnection requests are evaluated in an orderly and efficient manner and that applicants do not occupy queue positions indefinitely without demonstrating project readiness. Regulations should permit EDCs to establish milestones, deposits, collateral requirements, information-submission requirements, withdrawal provisions, and other readiness criteria designed to ensure that finite engineering and planning resources are focused on viable projects. Rather than prescribing statewide queue-management rules, the Commission should provide broad authority for EDCs to design utility-specific processes that reflect the characteristics of their systems, customer bases, and planning obligations while maintaining fair and non-discriminatory treatment of applicants.

Authority for Flexible Interconnection Arrangements. The Commission should consider regulations clarifying that EDCs may, but are not required to offer flexible interconnection arrangements for new loads when supported by sound engineering analysis and enforceable operational commitments. Such arrangements may include customer commitments to curtail load during specified system conditions or to offset a portion of load through collocated generation or other resources, provided that any such arrangement is consistent with applicable PJM and FERC requirements. Flexible interconnection may mitigate resource adequacy limitations, in certain circumstances, allow customers to obtain service more quickly, accommodate schedules to complete infrastructure upgrades, and improve utilization of existing grid assets. However, regulations should preserve EDC discretion to determine whether such arrangements are appropriate or practicable in a particular case and should not require EDCs to rely on customer flexibility in lieu of traditional infrastructure solutions. To ensure system reliability and protect other customers, the Commission should also authorize EDCs to establish tariff-based remedies, including penalties, liquidated damages, or other enforcement mechanisms, for customers that fail to comply with the operational requirements of a flexible interconnection arrangement. This

would provide greater regulatory certainty while ensuring that customers bear responsibility for commitments upon which system planning decisions may depend.

PJM/FERC Coordination. The Commission should consider regulations that provide greater clarity regarding the scope of Commission-jurisdictional load interconnection activities and their interaction with PJM and FERC-regulated processes. As load interconnection projects become larger and increasingly tethered to regional transmission planning, generation interconnections, and wholesale market considerations, uncertainty may arise regarding the respective roles of EDCs, the Commission, PJM, and FERC. Regulations establishing clear jurisdictional principles, recognizing existing PJM and FERC requirements, would reduce the potential for conflicts, improve regulatory certainty for customers and utilities, and facilitate coordination among affected entities. Any such regulations should be carefully crafted to avoid encroaching upon matters within federal jurisdiction or duplicating (or conflicting with) requirements already governed by PJM tariffs, FERC regulations, or other regional planning processes.

Design, Construction, and Operation. Overall, the Commission should exercise caution when considering load interconnection regulations and should avoid adopting prescriptive requirements that may become outdated as technologies, planning processes, customer needs, and system conditions evolve. To the extent regulations are pursued, the Commission should focus on clarifying authority, establishing broad regulatory principles, protecting confidential customer and critical infrastructure information, and preserving appropriate utility discretion rather than dictating detailed processes or operational requirements. Pennsylvania's EDCs operate systems with differing characteristics, planning considerations, and customer needs, and therefore require flexibility to develop utility-specific solutions that maintain safety, reliability, and affordability. A framework that respects existing cost-allocation and cost recovery

frameworks, manages interconnection queues efficiently, offers innovative service arrangements where appropriate, preserves EDC responsibility for the safe and reliable operation of their systems, and coordinates effectively with PJM and FERC-jurisdictional processes will better serve customers and the electric system than a highly prescriptive regulatory approach. Preserving EDC flexibility ultimately benefits customers by allowing utilities to create solutions to the specific circumstances of a project. This flexibility helps avoid unnecessary infrastructure investments and supports more efficient use of existing systems and assets, minimizing cost impacts to other customers.

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

No. The Commission should not formulate load interconnection regulations based on customer class, interconnection voltage, or tariff rate as controlling categories.

These categories are not reliable indicators of the engineering complexity, planning requirements, system impacts, or costs associated with a particular interconnection request. Similar projects may be served under different customer classes, at different voltages, or pursuant to different tariff rates depending on the characteristics of a particular EDC's system and tariff structure. Likewise, EDCs across Pennsylvania utilize different customer classifications, voltage configurations, and retail rate designs. As a result, regulations based on these factors could produce inconsistent outcomes, limit utility flexibility, and become increasingly outdated as utility systems and tariffs evolve.

Interconnection requirements should instead be driven by the operational characteristics and potential system impacts of the proposed load, including factors such as requested capacity, load, location, existing infrastructure, and system constraints. For example, a relatively modest load served at a higher voltage may require less engineering review than a lower-voltage project

in a constrained area of the distribution system. Similarly, customers taking service under the same tariff rate may present vastly different interconnection challenges depending on their location, load profile, and infrastructure requirements.

Accordingly, the Commission should not establish regulations based on customer class, interconnection voltage, or tariff rate and should instead preserve EDC flexibility to develop load interconnection processes that reflect the needs and characteristics of their individual systems. Any future guidance should focus on broad principles rather than rigid classifications, allowing EDCs to apply sound engineering judgment and maintain safe, reliable, and cost-effective service for all customers.

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.

No. The Commission should not establish uniform statewide load-size review levels similar to the generation interconnection review levels. While load size is an appropriate factor for EDCs to consider, each EDC should be permitted to establish review levels based on load size and other system-specific factors. Larger loads generally have greater potential to affect distribution and transmission system planning, but load size is not the only factor that should determine the level of review. The appropriate review process may also depend on factors such as the requested service voltage, available feeder and substation capacity, existing system constraints, project location, and other engineering considerations. Projects of similar characteristics may require different engineering reviews depending on their location, timing, and other system developments; thus, flexibility ensures reliability impacts are properly assessed.

In some cases, relatively small load additions may require minimal engineering review, while other projects of a similar size may require more extensive analysis because of local

system conditions. Similarly, larger projects may require additional distribution studies, transmission planning reviews, or participation in utility-specific processes such as cluster studies.

For example, PECO currently applies different review processes based on technical characteristics of proposed load additions and their potential impact on the electric system. Certain projects may warrant only limited engineering review, while larger or more complex requests may require detailed distribution system analysis, transmission planning review, or participation in a cluster study process. PECO's current practice includes evaluating load requests of 50 MW or greater through a cluster study process because projects of that magnitude may have significant transmission system implications and because studying such requests in isolation may not produce the most efficient system design or identify holistic solutions. Even below that threshold, load additions may warrant additional review depending on voltage level, local system conditions, and the cumulative impact of multiple projects.

For these reasons, the Commission should avoid establishing uniform statewide review thresholds or categories. Instead, EDCs should retain the flexibility to develop review criteria and processes that reflect the characteristics and needs of their individual systems while ensuring the safe and reliable interconnection of new load.

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?

Where a customer project includes collocated generation that is not interconnected as PJM-dispatchable generation but is used to support the customer's load, the Commission should preserve EDC flexibility to expedite the load interconnection review on a project-specific basis. In those circumstances, a modified EDC review process may be appropriate because reliability

issues may be largely mitigated in this arrangement, which does not require continuous transmission service. However, the Commission should not create a separate state-level expedited interconnection process for generation that is collocated with a load, particularly where the generation seeks to interconnect as PJM-dispatchable generation or otherwise participate in PJM markets. Generation interconnection is governed primarily through PJM and FERC-jurisdictional processes, and state regulation that effectively requires expedited treatment for generation interconnection could create jurisdictional concerns. The Commission may consider whether Pennsylvania processes related to permitting, siting, or utility coordination can better align with PJM's Expedited Interconnection Track or similar future processes to the extent those processes require or benefit from state involvement. This approach would allow Pennsylvania to support economic development and timely project execution while avoiding potential jurisdictional conflicts and maintaining fair and non-discriminatory treatment of interconnection applicants.

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.

No, not as a mandatory statewide requirement. The Commission should not require EDCs to provide or utilize a specific type of online portal for load interconnection applications, as such a requirement could inadvertently reduce flexibility and create obstacles to customized customer service approaches. While online portals can provide significant benefits and may be an effective means of managing certain types of interconnection requests, EDCs should retain flexibility to determine the most appropriate application and communication processes for their customers and operating environments. PECO uses customer-facing tools and processes for certain distribution

service installations and upgrades, but that does not mean that a mandatory portal is appropriate for all load interconnection requests. Technology, customer expectations, and utility business processes continue to evolve, and prescriptive regulations governing application platforms risk becoming outdated over time.

Load interconnection requests can vary significantly in size and complexity. Some requests involve relatively routine additions to existing service, while others may involve large commercial, industrial, or data center projects that require extensive engineering review, ongoing coordination, customized communications, and project-specific planning. For these more complex projects, a highly personalized engagement process may provide greater value to applicants than a standardized portal workflow.

EDCs are already investing in customer-facing tools and processes that reflect the needs of their individual systems and customers. Utilities should be free to utilize online portals, direct project management, dedicated account representatives, email communications, or other approaches, as appropriate for the circumstances of a project. A Commission-mandated EDC portal also should not duplicate, replace, or conflict with any processes administered by PJM or governed by federal requirements. For example, NERC recently posted a level 3 alert on Computational Load modeling, Studies, Instrumentation, Commissiong, Operations, Protection and Control and has an expedited related standards development process to address emerging reliability risks. These standards will establish, among other things, interconnection standards and requirements. The Commission should avoid creating requirements regarding portal functionality, document management, communication methods, or application workflows, as these matters are better addressed by individual utilities and may change as technology advances.

Accordingly, the Commission should not mandate the use of online portals for load interconnection applications. Rather, EDCs should retain discretion to determine the application

tools, communication channels, and customer engagement processes that best meet the needs of their customers while ensuring an efficient and effective interconnection process.

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

PECO does not view duplicative load interconnection applications across multiple EDC service territories as a significant problem that warrants additional regulation. Particularly for large commercial, industrial, and data center projects, developers often evaluate multiple sites before making a final investment decision. The ability to explore alternative locations is a legitimate part of the project development process and can help customers identify locations where service can be provided most efficiently and cost-effectively. The Commission should not hinder applications advancing through the interconnection process that demonstrate meaningful project readiness. Regulations intended to discourage perceived duplicative applications could unnecessarily restrict customer choice and economic development opportunities and may provide limited benefit to utilities or other customers.

For large load projects, PECO already has measures in place that help ensure applicants have demonstrated a meaningful commitment to proceed and that utility resources are focused on viable projects. Under PECO's large load interconnection process, projects greater than 50 MW are required to provide a $1 million application deposit. This deposit is designed to secure the costs associated with engineering studies, system planning evaluations, and other activities necessary to assess the feasibility and impacts of the proposed interconnection. As a further deterrence, large load customers are required to execute a Transmission Security Agreements, which guarantees and secures ten-years of transmission revenues from the customer.

In addition, PECO requires customers to satisfy various project readiness requirements before the project advances through the interconnection process. Most notably, PECO does not

include a proposed large load in its planning assumptions submitted to PJM until the customer has executed a Transmission Security Agreement (where applicable) and/or a Construction Service Agreement. This approach helps ensure that load forecasts used for regional planning purposes are based on projects that have demonstrated a meaningful commitment to proceed, thereby reducing the risk that speculative projects may influence transmission planning decisions. This approach is consistent with the Commission's findings in its first Act 45 Annual Report, which found no evidence that Pennsylvania EDCs double-counted firm large-load customers in their load forecasts.

Accordingly, the Commission should not adopt regulations specifically intended to discourage duplicative applications. Existing utility processes, including application deposits, project readiness requirements, security arrangements, and planning milestones, are better suited to distinguishing viable projects from speculative proposals while preserving flexibility for customers to evaluate multiple potential locations during the early stages of project development.

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?

While application fees may have the incidental effect of discouraging speculative or duplicative applications, the primary purpose of fee requirements is to recover the costs incurred by the EDC in reviewing and processing interconnection requests and to ensure that applicants have demonstrated a reasonable level of project readiness.

To the extent the Commission permits application fees or deposits, EDCs should have flexibility to establish fee structures that reflect the level of review required by a particular project. PECO's existing large-load process includes a $1 million application deposit for projects

greater than 50 MW, which reflects the substantial engineering, planning, and study costs associated with evaluating those projects.

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.

PECO believes that projects should generally be processed in accordance with the EDC's established queue-management procedures and readiness requirements. EDCs should retain discretion to advance projects based on demonstrated readiness in accordance with their queue-management processes. This approach promotes fairness, transparency, and efficient use of utility planning and engineering resources while reducing the risk of disputes among applicants.

Interconnection studies, engineering design, material and equipment procurement activities, and infrastructure planning require significant utility resources. It is neither efficient nor equitable for applicants that have not satisfied key requirements to impede the progress of projects that are prepared to move forward. Accordingly, EDCs should be permitted to condition further advancement of a project on objective readiness milestones established by the utility, such as execution of required agreements, payment of deposits, provision of required technical information, and other project-specific requirements.

EDCs should also retain authority to suspend, demote, or remove projects from the queue when applicants fail to meet established deadlines, fail to provide requested information, materially delay their proposed in-service dates, or otherwise cease making reasonable progress toward interconnection. Such flexibility helps ensure that finite engineering and planning resources remain focused on viable projects and reduces the risk that speculative projects will distort utility planning activities.

Advancing a project in the queue could affect analyses that have already been completed or are currently underway. Therefore, projects should not be permitted to advance if they would materially alter existing planning assumptions and necessitate re-evaluation of completed or ongoing cluster studies. Such changes could have broader downstream impacts on multiple projects and introduce additional study and coordination requirements.

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

Please refer to the discussion in the responses to questions 4 and 8 above.

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?

Yes, EDCs should be permitted to assess application fees or deposits, but fee structures should be utility-specific, and subject to existing Commission oversight through tariff mechanisms and complaint processes.

To the extent application fees are assessed, EDCs should have flexibility to determine which types of projects are subject to fees and how those fees are structured. Factors that may be considered include the anticipated level of engineering review, the complexity of the project, the potential need for distribution or transmission studies, and the administrative resources required to evaluate the application.

In general, larger load requests may justify higher application fees because they often require more extensive engineering analysis and planning review. However, load size should not

be the sole determinant of whether a fee applies or the amount of any fee. Projects of similar size may require significantly different levels of review depending on factors such as service voltage, system constraints, location, and existing infrastructure conditions. The Commission should therefore avoid adopting standardized statewide thresholds or fee schedules.

b) What payment methods should EDCs accept?

The Commission should not prescribe specific payment methods that EDCs must accept for load interconnection application fees, deposits, security, or other interconnection-related charges. Payment technologies, customer preferences, and financial transaction platforms continue to evolve, and any regulatory requirements in this area may quickly become outdated.

EDCs should retain flexibility to determine which payment methods or forms of security are appropriate based on factors such as transaction size, administrative costs, fraud prevention, operational efficiency, customer convenience, and applicable financial controls. Depending on the circumstances, utilities may choose to accept payment through methods such as ACH transfers, wire transfers, paper checks, electronic checks, credit cards, debit cards, or future payment technologies that may not yet exist. For larger deposits or security obligations, different instruments, such as letters of credit or other credit support, may be appropriate.

A prescriptive regulatory approach could unnecessarily limit utility flexibility and make it more difficult for EDCs to adopt improved payment solutions over time. Accordingly, the Commission should allow EDCs to determine acceptable payment methods and security instruments through their normal business practices and tariff mechanisms rather than through prescriptive regulation.

c) Should EDCs allow for electronic payments without administration fees?

The Commission should allow EDCs to retain the flexibility to assess the costs associated with various payment channels and to determine whether transaction-specific fees are appropriate.

Different payment methods impose different costs on utilities. For example, credit card transactions may involve materially higher processing costs than ACH transfers, wire transfers, electronic checks, or traditional paper checks. If EDCs are prohibited from recovering those incremental costs from the customers who elect to use higher-cost payment methods, those costs may ultimately be borne by other customers.

EDCs should be permitted to recover reasonable payment processing costs from the customers who create those costs. At the same time, EDCs should retain flexibility to determine when such fees are appropriate, considering operational considerations, customer convenience, transaction size, and administrative efficiency. Accordingly, the Commission should not prescribe whether administration fees may be charged for particular payment methods. Rather, EDCs should retain discretion to establish reasonable payment policies and fee structures through their normal business practices and tariff mechanisms.

d) Should an EDC's costs for processing load interconnection requests be aligned with the cost structure for load interconnection application fees?

Yes. Application fees and deposits should be aligned with the costs incurred by the EDC in reviewing and processing interconnection requests. Interconnection projects can vary significantly in complexity, engineering requirements, and administrative effort. As a result, EDCs should have flexibility to establish fee and deposit structures that reasonably reflect the anticipated level of review and resources required for a particular project.

The Commission should not prescribe a specific statewide methodology for determining application fees or deposits. Rather, EDCs should be permitted to develop utility-specific fee

structures based on their systems, operating practices, and experience. In some cases, application fees or deposits may be based on historical costs associated with reviewing similar projects, while in other cases they may reflect expected engineering, planning, consultant, or administrative expenses.

For example, PECO's current requirement for a $1 million application deposit for large load projects greater than 50 MW was developed based on the Company's experience processing similar large load requests and the substantial engineering, planning, and study costs associated with evaluating those projects. This approach helps ensure that the customers driving those costs bear an appropriate share of them rather than shifting costs to other customers.

Accordingly, application fees and deposits should be reasonably related to the costs incurred by the EDC in reviewing and processing interconnection requests, but EDCs should retain flexibility to determine the appropriate fee structures and supporting methodologies for their individual systems and customer populations.

e) Should there be more oversight of load interconnection application fees to avoid any potential arbitrary fees?

No. Additional regulatory oversight of load interconnection application fees and deposits is not necessary. Existing Commission oversight, including applicable regulations and complaint processes, already provides mechanisms to review and address utility practices and investigate customer concerns if questions arise regarding the reasonableness of a particular fee. EDCs have strong incentives to establish reasonable fee structures because excessive fees or deposits could discourage economic development, while insufficient fees or deposits could result in the costs of processing interconnection requests being shifted to non-participating customers. Accordingly, the Commission should avoid establishing additional approval requirements or prescriptive standards for application fees and should instead allow EDCs to establish and modify reasonable

fees as needed to support efficient interconnection processes and protect non-participating customers from bearing applicant-specific costs.

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.

The Commission should not prescribe specific information requirements, communication schedules, or communication methods for load interconnection applicants. Load interconnection requests vary significantly in size, complexity, and customer needs, ranging from residential and small commercial projects to large industrial facilities and data centers. As a result, the information that is useful to one applicant may be unnecessary or insufficient for another.

Rather than adopting prescriptive requirements, the Commission should consider establishing a general framework that promotes transparency, reasonable communication, and customer awareness throughout the interconnection process while preserving EDC flexibility to tailor communications to the needs of individual projects. Under such a framework, EDCs could provide applicants with appropriate information regarding project status, anticipated study completion dates, estimated construction timelines, major milestones, requests for additional information, and material changes that may affect project cost or timing. PECO currently provides customers with project specific communications according to the complexity of the interconnection request. Particularly for large-load projects, PECO's experience has been that, for large load projects, individualized engagement provides more meaningful information than standard reporting requirements.

EDCs should retain discretion regarding the frequency, format, and method of such communications. Depending on the nature of the project, an online portal, direct communications with a utility representative, periodic status meetings, email correspondence, or other approaches

may be most effective. For example, large load projects often require ongoing coordination between the customer and the EDC and may be better served through regular direct engagement than through standardized notifications.

Prescriptive requirements governing what information must be provided, when it must be provided, or how it must be delivered could increase administrative costs, create compliance disputes, become outdated as customer expectations and technologies evolve, or unnecessarily restrict EDCs from tailoring communications to different customer needs. Additionally, as mentioned in the response to question 5, NERC recently posted a level 3 alert addressing standards that will establish among other requirements, interconnection and data sharing standards. Any communications framework also should not require disclosure of confidential information about other customers or sensitive system infrastructure. A principles-based framework that emphasizes transparency, responsiveness, and flexibility would better accommodate the wide range of load interconnection requests while allowing EDCs to communicate with applicants in the manner most appropriate for each project.

For distribution load requests, PECO provides applicants with updates on the status of the load study and the anticipated timeline for completion. Once the study is complete, PECO provides a high-level cost estimate and an estimated timeline for providing the requested load. For large-load projects, PECO typically provides applicants with regular status updates through direct engagement. Depending on the customer's unique circumstances and preferences, these updates may occur weekly, bi-weekly, or on another mutually appropriate schedule.

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

No. The Commission should not prescribe mandatory timelines or fixed deadlines for completing the various steps in the load interconnection application review process.

While timely processing of interconnection requests is an important objective, a rigid timeline framework would not appropriately recognize the substantial differences among projects. The complexity of an interconnection request may depend on factors such as load size, location on the system, available infrastructure, system constraints, interactions with other projects, transmission impacts, and the scope of required distribution or transmission upgrades. Interconnection reviews are engineering-driven evaluations intended to ensure the continued safety, reliability, and resilience of the electric system, and fixed deadlines could create pressure to prioritize speed over the thorough technical review necessary to support those objectives.

Many factors affecting interconnection timelines are also outside the EDC's direct control, including applicant readiness, the completeness of customer-provided information, changes in project scope, customer design decisions, permitting activities, equipment availability, PJM reviews, including do-no-harm analyses, impacts from PJM's reliability and market efficiency planning windows, coordination with other utilities, and other external processes. As a result, timelines that may be reasonable for some projects may be inappropriate for others, and EDCs should not be subject to automatic refunds, penalties, or other consequences for delays caused by factors outside their control.

The same concerns apply to both large-load and more traditional distribution-level interconnections. Some projects may require minimal engineering review, while others may require extensive distribution studies, transmission analyses, field investigations, or coordinated evaluations of multiple projects. In some circumstances, EDCs may determine that cluster evaluations or other coordinated review approaches provide a more accurate and efficient means of assessing system impacts than evaluating each project independently.

Rather than establishing mandatory deadlines, the Commission should consider a general framework that promotes transparency, communication, and reasonable diligence while preserving utility discretion to tailor review processes to the circumstances of each project. For example, EDCs could provide estimated study schedules, status updates, and notice of material delays. Such an approach would improve transparency and accountability without compromising reliability, engineering judgment, or the flexibility needed to accommodate the diverse characteristics of Pennsylvania's electric systems and interconnection requests.

Accordingly, the Commission should not prescribe fixed timelines for load interconnection reviews. A principles-based framework that emphasizes transparency, communication, and utility flexibility is more likely to support reliable system planning, fair treatment of applicants, and efficient processing of interconnection requests. Overly prescriptive timelines could make it difficult to complete complex engineering determinations in cases where additional analysis may be needed to fully understand system impacts.

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.

Because PECO does not support prescribed timelines, it does not believe it is necessary or appropriate for the Commission to establish a standardized set of review steps or associated completion deadlines applicable to all projects. The steps required for a particular interconnection request depend on project-specific circumstances and may include engineering review, distribution studies, transmission review, capacity planning assessments, customer coordination, analyses by PJM, planning process changes by PJM and other activities as appropriate.

b) What is a reasonable timeframe to complete a load interconnection application review?

There is no single timeframe that would be reasonable for all load interconnection requests. Appropriate review durations depend on factors including project size, system location, existing capacity constraints, required upgrades, coordination with external entities, and customer readiness. Rather than establishing a prescribed timeframe, the Commission should encourage EDCs to communicate to customers expected schedules and material changes as project reviews progress.

c) What timeline should exist for EDCs to complete the review of collocated load and generation requests, if any?

The Commission should not prescribe a fixed timeline for review of collocated load and generation requests. Such projects frequently require coordination between utility load interconnection reviews and generation interconnection processes that may be governed by PJM and FERC requirements. The Commission should instead preserve flexibility for EDCs to coordinate with applicable regional and federal processes and consider whether Pennsylvania procedures can better facilitate participation in PJM's Expedited Interconnection Track or similar future programs.

d) If an EDC exceeds its expected review timeline, what actions should the EDC be required to take?

If an estimated schedule changes, the EDC should provide notice, explain the general reason for the delay, identify any applicant action needed, and provide an updated estimate where reasonably available. Moreover, review timelines can be affected by many factors including customer action, PJM or FERC review, equipment availability, or other circumstances

outside the EDC's control. The Commission should not impose automatic penalties, refunds, or other consequences for exceeding an estimate, particularly where timing is affected by circumstances outside the EDC's control.

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

Separate interconnection generation and load queues and study processes are in place because they involve different jurisdictional frameworks, study obligations, and operational considerations. PJM is primarily responsible for facilitating and studying the interconnection of new generation that may participate in PJM's wholesale market and EDCs are primarily responsible for facilitating and studying the interconnection of new load customers that may seek electric service in their territory. PJM also has involvement in EDC's load interconnection processes by performing do-no-harm analyses and other transmission-related review where applicable to ensure transmission service can be provided reliably, and EDCs are responsible for participating in PJM's generation queue study process to determine how to reliably interconnect the new generation in its footprint.

Coordination between separate generation and load interconnection processes may be appropriate in future revised planning processes, for new large load customers, collocated or interdependent load and generation projects. PECO is actively engaged in FERC and PJM processes considering how such projects should be coordinated, but Commission regulations should not collapse separate queues or impose requirements that conflict with PJM or FERC-jurisdictional processes.

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.

As discussed in the response to question 12 above, PECO does not recommend prescriptive timelines or fixed deadlines for completing the various steps in the load interconnection application review process. In the event that some timelines or deadlines are imposed, however, PECO recommends that the Commission not attempt to draft regulations addressing every circumstance that could delay a load interconnection project. Interconnection timelines may be affected by factors such as unexpected engineering issues and related studies, changes in customer requirements, permitting issues, equipment availability, transmission planning considerations, PJM review processes, and other circumstances that vary from project to project.

The Commission should also distinguish exigent circumstances (which may be unusual and project specific) from ordinary interconnection review issues. For example, the need for additional studies is not necessarily exigent, it may be a normal and appropriate part of an engineering review process, particularly where customer-provided information changes or new system constraints are identified.

Rather than establishing detailed requirements for specific delay scenarios, the Commission should encourage transparent communication around material delays, while recognizing that many delays arise from applicant decisions, permitting, supply chain constraints, or other factors outside the EDC's control. The Commission should also preserve EDC discretion to perform additional analysis, revisit prior assumptions, and coordinate with external entities when necessary to maintain the safety and reliability of the electric system. A principles-based approach is more likely to produce reasonable outcomes than prescriptive regulations designed to address specific categories of delays.

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.

No. The Commission should not require EDCs to provide hosting capacity maps and should continue to defer to EDC discretion as to whether to publish a distribution system capacity map, what information to include in such a map, and how to format the map. EDCs are best positioned to assess and balance the information desired by their customers, Critical Energy Infrastructure Information ("CEII") and other security implications, tools available for publication, and the costs of developing and delivering the desired information. Any capacity map mandated by the Commission could have the potential to impose unnecessary costs, create security risks, and constrain creativity in delivering information to customers.

PECO currently provides a map of hosting capacity for new loads. However, PECO advises customers that the map is merely a directional indication of capacity because it is based on the current configuration of the distribution system. It should be made clear that any hosting capacity maps do not guarantee that a particular location can accommodate a proposed load without additional study. PECO's experience is that it is often able to accommodate new loads in

constrained locations through relatively simple and low-cost reconfigurations of the distribution system, so information based on the current configuration may be misleading, especially for locations at which it shows capacity constraints.

PECO's current map is formatted as a tiled heat map and does not contain information on the locations of substations, distribution transformers, or other grid assets. This approach has two key advantages over a map that shows extensive grid information, including substation locations and feeder routes.

In cases where multiple feeders pass through a single tile, the color-coding and information in that tile is based on the feeder with the highest hosting capacity, which at least partially represents the potential to reconfigure the grid to serve new loads.

Inclusion of detailed distribution system information in a capacity map could disclose sensitive infrastructure information that may increase physical or cybersecurity risks. Once detailed grid information is made publicly available, the associated security risks cannot be fully mitigated or reversed. Given current geopolitical realities and the heightened sensitivity of CEII, PECO believes it would be imprudent to publish such grid information where it is not already publicly available.

Likewise, the Commission should not mandate publication of transmission system capacity maps. PECO has chosen not to publish such a map because it would be difficult to make the information meaningful without disclosing CEII, which could create security concerns. In addition, transmission capacity is highly dependent on system conditions, planned upgrades, and ongoing studies, making it difficult to communicate through a generalized public map. A transmission heat map is obsolete by the time it is published with rapid and significant changing assumptions from on-going retail customer interconnection studies, PJM reliability and market efficiency windows, generation network upgrade needs and generation retirements. Unlike

generation developers, load customers ultimately seek electric service from the EDC, and direct engagement between the customer and the utility is generally a more effective means of evaluating transmission-related constraints than reliance on a self-service map. For large load projects, PECO's existing practice of working directly with prospective customers provides more accurate, current, and project-specific information than a publicly available transmission capacity map could reasonably provide.

While capacity maps may be a useful tool in certain circumstances, they are only one of many ways that EDCs can assist customers in evaluating potential project locations. There are many factors that influence site selection and service feasibility, including location, land availability, rights-of-way, permitting, required infrastructure, and supply-chain constraints. EDCs should retain flexibility to provide information through maps, site-specific consultations, pre-application meetings, engineering reviews, or other mechanisms that best meet the needs of their customers. The Commission should avoid prescribing a particular method for communicating system capacity information.

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

No. The Commission should not require EDCs to publish a public list of projects in a load interconnection queue. Such a requirement would provide limited value while creating confidentiality, security, and administrative concerns. Many load interconnection applications, particularly large commercial, industrial, and data center projects, involve commercially sensitive information, and even anonymized disclosures may reveal information that applicants prefer to keep confidential. In addition, because project viability depends on numerous factors, customers are better served by direct engagement with the EDC than by reliance on generalized public queue information.

In addition, load interconnection queues are dynamic. Projects frequently change scope, adjust schedules, relocate, or withdraw as development plans evolve. As a result, publicly posted queue information may be incomplete, quickly become outdated, or require significant ongoing administrative effort to maintain. Public disclosure also may create security or public safety concerns where large-load projects, associated infrastructure, or customer locations that are sensitive. The Commission should therefore exercise caution before imposing queue publication requirements and should instead allow EDCs flexibility to determine whether, and to what extent, queue information should be made publicly available.

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?

The potential benefits of such a requirement are limited. A public queue may provide some general visibility into the volume of interconnection activity occurring within an EDC's service territory and may offer applicants a general understanding of overall queue activity. However, because the proposed information would exclude the identity and location of projects, the resulting data would provide limited insight into whether a particular customer can be served at a specific location or the likely costs and timing associated with a particular interconnection request.

b) What are the concerns regarding this requirement, if any?

Several concerns exist. First, even if project names and locations are not published, information such as queue position, project size, timing, and circuit identifiers may allow sophisticated market participants to infer the identity of applicants or other commercially

sensitive information. Second, load interconnection queues are dynamic, and projects frequently change scope, modify schedules, or withdraw altogether, which may reduce the value of publicly posted information. Third, maintaining and updating a public queue would impose additional administrative burdens on EDCs. Finally, publication of circuit-level information could raise security concerns and may indirectly reveal information regarding system infrastructure, load growth, or planned development activities.

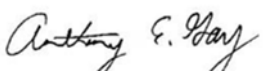
c) What aspects should be considered for these public lists of projects? Examples may include timing for updates, transparency, filtering and toggling mechanisms, complaint process, etc.

If the Commission elects to require publication of queue information, it should carefully consider customer confidentiality, security implications, administrative costs, and the potential for misinterpretation of preliminary project information. The Commission should also recognize that queue data can become outdated quickly as projects evolve. Any disclosure requirements should therefore provide EDCs with flexibility regarding the format, frequency of updates, and level of detail provided, while ensuring that commercially sensitive information, CEII, and other information that could create security concerns are appropriately protected.

III. CONCLUSION

PECO appreciates the opportunity to submit comments on this matter and remains committed to ongoing constructive engagement with the Commission and interested stakeholders regarding these important issues. PECO also encourages the Commission to consider the significant number of ongoing PJM and FERC proceedings addressing large-load interconnections and related matters. Given this evolving framework, the Commission should exercise caution before adopting detailed requirements.

Respectfully submitted,



Anthony E. Gay (Pa. No. 74624)
Jeanne J. Dworetzky (Pa. No. 62389)
PECO Energy Company
2301 Market Street, S23-1
Philadelphia, PA 19103
Phone: 267.533.1964
anthony.gay@exeloncorp.com

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