

COMMONWEALTH OF PENNSYLVANIA



DARRYL A. LAWRENCE
Consumer Advocate

OFFICE OF CONSUMER ADVOCATE
555 Walnut Street, 5th Floor, Forum Place
Harrisburg, Pennsylvania 17101-1923
(717) 783-5048
(800) 684-6560

 @pa_oca
 /pennoca
FAX (717) 783-7152
consumer@paoca.org
www.oca.pa.gov

October 2, 2026

Via Electronic Filing

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

Re: Petition of PPL Electric Utilities
Corporation for Approval of Its Non-
Bypassable Customer Protection
Transmission Rider, Elimination of Its
Transmission Service Charge, Changes to Its
Generation Supply Charges, Changes to Its
Retail Tariff, and Changes to Its Electric
Generation Supplier Coordination Tariff

Petition of PPL Electric Utilities
Corporation for Waiver of Any and All
Regulations Necessary to Implement the
Company's Proposals

Petition of PPL Electric Utilities Corporation
for Amendment of Its Default Service
Program and Procurement Plan for the Period
June 1, 2025, through May 31, 2029

Docket Nos. P-2026-3065185
P-2026-3065186
P-2024-3047290

Dear Secretary Homsher:

Attached for electronic filing please find the Office of Consumer Advocate's Answer and Public Statement to PPL Electric Utilities Corporation's Petition in the above-referenced proceeding.

Copies have been served on the parties as indicated on the enclosed Certificate of Service.

Respectively,

/s/ Melanie Joy El Atieh
Melanie Joy El Atieh, Esq.
Deputy Consumer Advocate
PA Attorney I.D. # 209323
Email: MEIAtieh@paoca.org

Enclosures

cc: Chief Administrative Law Judge Charles E. Rainey, Jr. (email only: crainey@pa.gov)
Paul Diskin, TUS (email only: pdiskin@pa.gov)
Darren Gill, TUS (email only: dgill@pa.gov)
Certificate of Service

CERTIFICATE OF SERVICE

Petition of PPL Electric Utilities	:	
Corporation for Approval of Its Non-	:	
Bypassable Customer Protection	:	Docket No. P-2026-3065185
Transmission Rider, Elimination of Its	:	
Transmission Service Charge, Changes to Its	:	
Generation Supply Charges, Changes to Its	:	
Retail Tariff, and Changes to Its Electric	:	
Generation Supplier Coordination Tariff	:	
	:	
Petition of PPL Electric Utilities	:	Docket No. P-2026-3065186
Corporation for Waiver of Any and All	:	
Regulations Necessary to Implement the	:	
Company's Proposals	:	
	:	
Petition of PPL Electric Utilities	:	Docket No. P-2024-3047290
Corporation for Amendment of Its Default	:	
Service Program and Procurement Plan for	:	
the Period June 1, 2025, through May 31,	:	
2029	:	

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 Answer and Public Statement to PPL Electric Utilities Corporation's Petition, 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 2nd day of October 2026.

SERVICE BY E-MAIL ONLY

Michael J. Shafer, Esq.
PPL Services Corporation
645 Hamilton Street, Suite 700
Allentown, PA 18101
mjshafer@pplweb.com
Counsel for PPL Electric

Devin T. Ryan, Esq.
Hayley E. Wilburn, Esq.
Emily Grecu, Esq.
Post & Schell, P.C.
One Oxford Centre
301 Grant Street, Suite 3010
Pittsburgh, PA 15219
dryan@postschell.com
hwilburn@postschell.com
egrecu@postschell.com
Counsel for PPL Electric

Elizabeth R. Marx, Esq.
John W. Sweet, Esq.
Ria M. Pereira, Esq.
Lauren N. Berman, Esq.
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101
pulp@pautilitylawproject.org
Counsel for CAUSE-PA

John F. Lushis, Jr., Esq.
David C. Berger, Esq.
Norris McLaughlin P.A.
515 West Hamilton Street, Suite 502
Allentown, PA 18101
jlushis@norris-law.com
dberger@norris-law.com
Counsel for Calpine Retail Holdings LLC

Deanne M. O'Dell, Esq.
Eckert Seamans Cherin & Mellott, LLC
213 Market Street, 8th floor
Harrisburg, PA 17101
dodell@eckertseamans.com
Counsel for RESA and NRG Energy, Inc.

Lauren M. Burge, Esq.
Eckert Seamans Cherin & Mellott, LLC
600 Grant Street, 44th Floor
Pittsburgh, PA 15219
lburge@eckertseamans.com
Counsel for RESA and NRG Energy, Inc.

Clifford B. Levine, Esq.
Dentons Cohen & Grigsby
624 Liberty Avenue
Pittsburgh, PA 15222-3152
Clifford.levine@dentons.com
Counsel for Shell Energy North America (US), L.P.

David B. MacGregor, Esq.
Post & Schell, P.C.
17 North Second Street, 12th Floor
Harrisburg, PA 17101-1601
dmacgregor@postschell.com
Counsel for PPL Electric

Scott B. Granger, Esq.
PA Public Utility Commission
Bureau of Investigation & Enforcement
400 North Street, 2nd Floor West
Harrisburg, PA 17105-3265
sgranger@pa.gov
Counsel for I&E

Steven C. Gray, Esq.
Office of Small Business Advocate
555 Walnut Street, 1st Floor
Harrisburg, PA 17101
sgray@pa.gov
Counsel for OSBA

Adeolu A. Bakare, Esq.
McNees, Wallace & Nurick
100 Pine Street
Harrisburg, PA 17108-1166
abakare@mcneeslaw.com
Counsel for PPLICA

Christopher O'Hara, Esq.
PJM Interconnection
2750 Monroe Boulevard
Audubon, PA 19403-2497
Christopher.ohara@pjm.com
Counsel for PJM

Rebecca E. Kennedy, Esq.
Dentons US LLP
1900 K Street, NW
Washington, DC 20006
Rebecca.kennedy@dentons.com
Counsel for Shell Energy North America (US), L.P.

/s/ Melanie Joy El Atieh
Melanie Joy El Atieh, Esq.
Deputy Consumer Advocate
PA Attorney I.D. # 209323
Email: MElatieh@paoca.org

Jacob D. Guthrie, Esq.
Assistant Consumer Advocate
PA Attorney I.D. # 334367
Email: JGuthrie@paoca.org

Katherine “Katie” Kennedy, Esq.
Assistant Consumer Advocate
PA Attorney I.D. # 317237
Email: KKennedy@paoca.org

Johnathan M. Longhurst, Esq.
Assistant Consumer Advocate
PA Attorney I.D. # 338157
Email: JLonghurst@paoca.org

Olivia M. Spergel, Esq.
Assistant Consumer Advocate
PA Attorney I.D. # 337929
Email: OSpergel@paoca.org

Counsel for:
Darryl A. Lawrence
Consumer Advocate

Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
Phone: 717-783-5048
Fax: 717-783-7152

Dated: October 2, 2026

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition Of PPL Electric Utilities	:	
Corporation For Approval Of Its Non-	:	
Bypassable Customer Protection	:	
Transmission Rider, Elimination Of Its	:	
Transmission Service Charge, Changes To	:	Docket Nos. P-2026-3065185
Its Generation Supply Charges, Changes To	:	P-2026-3065186
Its Retail Tariff, Changes To Its Electric	:	
Generation Supplier Coordination Tariff,	:	
Amendment Of Its Default Service Plan,	:	
And Any Necessary Waivers Of	:	
Commission Regulations	:	
	:	

**ANSWER OF THE OFFICE OF CONSUMER ADVOCATE
TO THE PETITION OF PPL ELECTRIC UTILITIES CORPORATION
FOR APPROVAL OF ITS NON-BYPASSABLE CUSTOMER PROTECTION
TRANSMISSION RIDER AND RELATED APPROVALS**

Pursuant to Section 5.61 of the Public Utility Commission’s regulations, the Pennsylvania Office of Consumer Advocate (OCA) files this Answer to the Petition of PPL Electric Utilities Corporation (PPL Electric or Company) for approval of its non-bypassable Customer Protection Transmission Service Charge, changes to its Generation Supply Charges, changes to its Retail Tariff, changes to its Electric Generation Supplier Coordination Tariff, amendments of its Default Service Plan, and any necessary waivers of Commission regulations (Petition).¹

The OCA respectfully requests that the Commission send the Company’s Petition to the Office of Administrative Law Judge (OALJ) to be set for litigation. The OCA submits this Answer in support of its position.

I. INTRODUCTION

¹ 52 Pa. Code Sec. 5.61.

The OCA is statutorily authorized to represent the interests of Pennsylvania's utility consumers in all matters properly before the Commission.²

On September 14, 2026, PPL Electric filed its petition seeking (1) the Company's proposed non-bypassable Customer Protection Transmission Rider (CPTR)³ to recover all Network Integration Transmission Service (NITS) costs and certain other transmission costs and to allocate certain network upgrade costs to Rate LP-6; (2) the elimination of the Transmission Service Charge (TSC); (3) changes to the Generation Supply Charges to include the costs currently recovered under the TSC that will not be recovered through the CPTR, along with the associated net over or undercollection balance; (4) the proposed amendment of PPL Electric's existing Default Service Program and Procurement Plan (DSP VI) to incorporate the programmatic and process changes to implement the non-bypassable CPTR, elimination of the TSC, and the changes to its Generation Supply Charges; (5) PPL Electric's changes to its Retail Tariff, Electric Pa. P.U.C. No. 202 (Retail Tariff), and its Electric Generation Supplier Coordination Tariff, Electric Pa. P.U.C. No. 2S (Supplier Tariff) to implement the non-bypassable CPTR, eliminate the TSC, and make changes to the Generation Supply Charges; and (6) seeking waivers of any and all Commission regulations needed to implement the proposals.⁴

PPL Electric filed its Petition for Approval of its non-bypassable Customer Protection Transmission Rider under Sections 5.41, 5.43, 5.572, 53.52, 54.185, and 54.187 of the Pennsylvania Public Utility Commission's (Commission) regulations,⁵ and Sections 703(g), 1307(a), and 2807(e)(6)-(7) of the Public Utility Code.⁶ PPL Electric avers that it currently relies

² 71 P.S. Sec. 309-1.

³ The OCA objects to the naming of the rider in the fashion and will discuss the same herein.

⁴ Petition at 1-2.

⁵ 52 Pa. Code Sections 5.41, 5.43, 5.572, 53.52, 54.185, 54.187.

⁶ 66 Pa. C.S. Sections 703(g), 1307(a), 2807(e)(6)-(7).

on protections contained in its recently approved Rate LP-6 Tariff and the provisions in its Electric Service Agreements (ESAs) and Construction Service Agreements (CSAs) to protect non-Rate LP-6 customers from increases in transmission costs and potential stranded costs resulting from large load interconnections.⁷ However, based on recent comments made by the Commission, interested stakeholders, Governor Shapiro, and its customers, PPL Electric avers it is filing this Petition to do more to “transparently segregate costs associated with large load customers from other rate classes, including network upgrades appropriately allocated to customers under Federal Energy Regulatory Commission (FERC) cost allocation rules, and ensure that all customers benefit from large load growth.”⁸

PPL Electric is proposing a new non-bypassable CPTR to directly recover NITS costs and certain other transmission costs from all customers.⁹ According to PPL Electric, transmission costs among Load Serving Entities (LSEs) are based on peak load contribution and do not provide the Company with a mechanism to separately identify and assign to a particular retail class the transmission rate base investments required to serve that class.¹⁰ PPL Electric avers that, by establishing the CPTR, PPL Electric will be able to move network upgrade costs arising from the interconnection of new large load customers into a distinct cost recovery component of the CPTR subject to Commission oversight.¹¹

⁷ Petition at 3.

⁸ *Id.*

⁹ *Id.*

¹⁰ Petition at 4.

¹¹ *Id.*

II. GENERAL ANSWER

While the OCA agrees that the proposed CPTR may permit the Commission to review and approve the manner in which transmission costs are assigned among PPL Electric's customer classifications, if it functions as averred by PPL Electric, the OCA must independently verify these averments. The OCA also disputes that PPL Electric cannot, at present and consistent with existing FERC precedent and policy, directly assign transmission network upgrade costs to new large load customers when the new large load customer is the but-for cause of PPL Electric incurring those costs.¹² Rather, PPL Electric maintains significant discretion over the assignment and classification of its transmission costs, including through the design and buildout of its transmission system.

PPL Electric also avers that the proposed CPTR would provide a Commission-supervised mechanism through which the Company could potentially directly assign to Rate LP-6 any future wholesale reliability costs or credits attributable to large load customers.¹³ PPL Electric expects its CPTR to positively impact customer affordability and the competitive market for electric generation supply service.¹⁴ PPL Electric argues that its CPTR should not be included in its Price to Compare because the CPTR would be non-bypassable and recovered from all customers.¹⁵

¹² *Inquiry Concerning the Commission's Pricing Policy for Transmission Services Provided by Public Utilities Under the Federal Power Act*, 69 FERC P61,086, n. 30, 34 (1994) ("Under a line-by-line pricing method, the costs of each transmission line, or segment, are allocated to individual transmission transactions, based on the usage each transaction makes of each line or segment."); *Public Serv. Co.*, 175 F.E.R.C. P61,111, ¶ 64 (2021) ("The Commission has established that embedded and incremental pricing models can be used simultaneously for related projects. Leeward states that it opposes the 'mixing and matching' of incremental and embedded pricing. However, in the Transmission Pricing Policy Statement, the Commission embraced a flexible approach to cost disaggregation and specifically noted that line-by-line 'or' pricing is permissible. The Commission stated such proposals 'would permit the use of embedded costs for some lines when this is the higher of embedded or incremental costs, and the use of incremental cost for other lines when this is the higher of embedded or incremental costs.'") *modified on other grounds Public Serv. Co.*, 177 F.E.R.C. P61,094 (2021); *cf. Gas Transmission Nw. v. FERC*, 157 F.4th 674, 704 (5th Cir. 2025) (affirming FERC's rejection of rolled-in treatment for interstate natural gas expansion facilities that are caused by an incremental customer interconnections and do not accrue additional marginal benefits to existing customers).

¹³ Petition at 5.

¹⁴ Petition at 6.

¹⁵ *Id.*

Lastly, PPL Electric avers that it does not intend for the CPTR to alter the structural components of customer-generators' year-end cash-outs of banked excess generation.¹⁶

The OCA intends to fully investigate PPL Electric's proposals and ensure that customers are protected and to ensure the process is necessary and proper. The proposed CPTR and/or associated modifications to PPL Electric's retail and supplier coordination tariffs may result in unjust, unreasonable, and/or unduly discriminatory rates as proposed.¹⁷ For example, PPL's proposal to include Reliability Backstop Procurement (RBP) and/or Interim Resource Adequacy Service (IRAS) credits and charges – as generation-related costs – in the CPTR – as a transmission service cost recovery mechanism – may be contrary to the requirements of the Public Utility Code and Commission regulations regarding the unbundling of transmission and generation costs.¹⁸ It is unclear whether waiver of these requirements would be just, reasonable, not unduly discriminatory, and/or in the public interest.

The OCA has many questions and potential areas of concern regarding the vast array of changes the Petition seeks to make. Based on the Petition, the OCA is currently unable to determine whether the Petition will benefit consumers as PPL Electric claims. It is unclear how PPL Electric will determine what constitutes the “but-for” costs of interconnection for new, large load customers for purposes of assigning such costs to those customers through the CPTR; based on the OCA's experience, “but-for” costs can be defined in more than one manner.¹⁹ On Second Revised Page 23A of Appendix A to the Petition, the CPTR_{LP6} component of the charge's calculation is defined to include “[t]he charges included in CPT_D calculated to be caused by (or

¹⁶ Petition at 7.

¹⁷ 66 Pa. C.S. Sections 1301, 1304.

¹⁸ 66 Pa. C.S. Sections 2804(3), 2807(c)(1); 52 Pa. Code Sec. 54.4(b)(3) (providing that generation and transmission charges should separately appear on customers' bills).

¹⁹ Petition ¶ 73.

attributable to) Rate LP-6 customers.”²⁰ Based on the OCA’s review of these tariff pages, the CPTR seems to be proposed on a per-class basis, which may result in intra-class cost shifting by and among Rate LP-6 customers, undermining responsible Rate LP-6 customers’ selection of customer sites requiring lesser transmission investment to interconnect to PPL’s system. The OCA submits that PPL’s current proposed tariff provisions may not contain sufficient specificity to put customers on notice as to their CPTR obligation regarding the Rate LP-6-specific components of the charge. In sum, in order for the proposed CPTR to result in just, reasonable, and not unduly discriminatory rates, PPL Electric may require further revisions to its proposed tariff language.

Finally, as New Matter, the OCA generally alleges that PPL Electric’s existing tariff rates, rules, and regulations are unjust, unreasonable, and/or unduly discriminatory or preferential and existing service is unreliable, unreasonable, inadequate, and/or unduly discriminatory or preferential because it causes ordinary consumers to inappropriately bear the risks and consequences of: (1) paying for new and higher costs that are caused by the additions of data centers to PPL Electric’s service territory and the PJM regional grid; and (2) receiving service that is frequently interrupted or curtailed due to strains placed on electricity transmission infrastructure and generation supply as a result of the fast-paced interconnections of and service to data centers without PPL Electric taking preventative steps to ensure that either there is sufficient new supply to meet the new data center demand or there is the provision of mandatory interruptible service to data center customers during pre-emergency and emergency conditions, as appropriate. Lastly, as New Matter, the OCA alleges that PPL Electric’s chosen title of CPTR lacks transparency and clarity to its true meaning. Rather, the “Non-Market-Based Services Rider” or “Rider NMB” is a

²⁰ Petition, App’x A, Second Revised Page 23A.

more appropriate title to this proposal because it more precisely communicates the rider's central function to allocate cost responsibility based on cost causation.

Therefore, the OCA requests that the Commission not grant the Petition and instead ensure a robust evidentiary record is established by assigning the matter to the Office of Administrative Law Judge (OALJ) for hearings, Recommended Decision, and final order of the Commission in coordination with the OCA's Formal Complaint filed against PPL Electric Addressing Data Centers, filed separately with the Commission on October 2, 2026.

III. SPECIFIC ANSWER

A. PPL's Statement of Background

Paragraphs 1 through 12. Admitted.

B. PPL's Statement of Legal Standards

Paragraphs 13 through 22. Admitted.

C. PPL's Statement that the Commission Should Approve the Petition

Paragraphs 23-24. Admitted, in Part, Denied, in Part. It is admitted that in the Petition PPL Electric requests the approvals that it seeks, and for the reasons it states. However, it is denied that the Commission should grant the approvals for the reasons that PPL Electric states, as this is a legal conclusion and the OCA needs to investigate and verify the Petition's factual averments in the Petition and determine the merits of PPL's legal arguments, especially with consideration of the OCA's New Matter below, to determine its legal position as to the legal conclusions or relief that the Commission should adopt. Strict proof of the same is demanded through record evidence and/or at hearing.

D. PPL's Statement of Background on Transmission Costs and Their Recovery

Paragraphs 25-39. Admitted.

E. PPL's Statement of Large Load Interconnections and Focus on Customer Affordability

40. Admitted.

41. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

42. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

43. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

44. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

45. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

46. Admitted, in Part, Denied, in Part. It is admitted that Rate LP-6 was approved in PPL's 2025 rate case and in effect as of July 1, 2026; however, it is denied that it comprehensively addresses or governs PPL's interconnection of and provision of service to LP-6-eligible customers. By way of further answer, given that PPL Electric's 2025 Rate Case Settlement was entered into by the rate case parties prior to the Commission's adoption of the Model Tariff Policy, the settling parties agreed that any party could bring a filing before the Commission to modify Rate LP-6 without such a filing being construed as breaking the Settlement. 2025 Rate Case Settlement ¶ 97. This provision was approved by the Commission. By way of further answer, Rate LP-6 contains inadequate protections for existing customers from the known and foreseeable costs and reliability impacts due to unprecedented, rapid additions of data centers to the PPL Electric system and the PJM grid. The OCA respectfully directs the Commission's attention to its Formal Complaint against PPL filed on October 2, 2026, currently pending before the Commission, which addresses the OCA's observed shortcomings of LP-6, and is incorporated herein by reference to the extent relevant. Strict proof of the same is demanded through record evidence and/or at hearing.

47. Admitted, in Part, Denied, in Part. It is admitted the Rate LP-6 requires eligible large load customers to execute an ESA as a condition of utility service. However, any inference that the ESA can contain terms and conditions that are materially different from the rules and regulations provided in the Rate LP-6 schedule and other applicable portions of PPL Electric's tariff is denied given that utility contracts for service must adhere to utility tariffs. 66 Pa. C.S. Sec. 1303. Further, any inference that this provision currently provides adequate protections for other customers is denied. 66 Pa. C.S. Sections 1301, 1304. Strict proof of the same is demanded through record evidence and/or at hearing.

48. Admitted, in Part, Denied, in Part. It is admitted the Rate LP-6 requires ESAs to contain certain conditions. However, any inference that the ESA can contain terms and conditions that are materially different from the rules and regulations provided in the Rate LP-6 schedule and other applicable portions of PPL Electric's tariff is denied given that utility contracts for service must adhere to utility tariffs. 66 Pa. C.S. Sec. 1303. Further, any inference that this provision currently provides adequate protections for other customers is denied. 66 Pa. C.S. Sections 1301, 1304. Strict proof of the same is demanded through record evidence and/or at hearing.

49. Admitted, in Part, Denied, in Part. It is admitted that Rate LP-6 requires that LP-6-eligible customers segregate critical load in their facilities so that non-critical load can be curtailed in a grid emergency. However, it is specifically denied that these terms – critical load and non-critical load – have been sufficiently defined and, therefore, denied that they provide adequate consumer protection. It is also specifically denied that this provision of LP-6 contains additional necessary details to implement this requirement. By way of further answer, the OCA respectfully directs the Commission's attention to its Formal Complaint against PPL filed on October 2, 2026, currently pending before the Commission, which addresses the OCA's observed shortcomings of LP-6, and is incorporated herein by reference to the extent relevant. As set forth in "New Matter" below, and in the OCA's Formal Complaint against PPL Addressing Data Centers, the OCA alleges that these provisions of Rate LP-6 constitute insufficient protections for other customers and therefore is unduly preferential for LP-6-eligible customers and unjust and unreasonable. Strict proof of the same is demanded through record evidence and/or at hearing.

50. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate

and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

51. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

52. Admitted.

53. Admitted, in Part, Denied, in Part. It is admitted that, under Rate LP-6, PPL Electric includes, as part of LP-6 customers' fixed monthly charges, such customers contribute towards a class-based allocation a fixed amount of \$11 million to PPL Electric's Universal Services Rider (USR). However, it is specifically denied that this contribution is adequate because it is a fixed amount which does not vary with the customer's contracted peak demand amount. By way of further answer, the \$11 million contribution is not indexed to inflation or overall universal service cost amounts, and the \$11 million figure may have been based on 2025 load projections for data centers and is likely now insufficient as data-center demand and associated costs have grown, leaving low-income customers vulnerable and unprotected under the current tariff. By way of further answer, the Commission's Model Tariff Policy stated that contributions to universal service costs should be based on data center customers' peak demand, not on a volumetric or fixed-price basis. The OCA believes a peak demand structure is consistent with the cost causation principle, since increased energy burdens associated with retail electric supply charges, including transmission and capacity, can be correlated with the significant peak demands of new data center customers. By way of further answer, PPL Electric's rate design for data center customers' contribution to universal services costs is unjust, unreasonable, and/or unduly discriminatory or

preferential because it reflects a static amount of costs to be recovered over time, whereas universal services costs can vary significantly year-to-year and are likely to increase over time. The Rate LP-6 USR contribution is also inconsistent with the Model Tariff Policy because it is not based on the data center customers' peak demand. Strict proof of the same is demanded through record evidence and/or at hearing.

54. Denied. Strict proof of the same is demanded through record evidence and/or at hearing.

55. Admitted.

56. Admitted.

57. Admitted.

58. Admitted, in Part, Denied, in Part. It is admitted that the Commission issued its Model Large Load Tariff on May 13, 2026. However, it is denied that the Commission's Model Tariff policy contains many of the same or similar elements in LP-6, The settling parties in the 2025 Rate Case specifically reserved the right to reopen the settlement in the event the Model Tariff Policy was different from or more protective than LP-6. Such review between Rate LP-6 and the Commission's Model Tariff Policy has not been conducted by PPL Electric, Settlement Signatories, and/or the Commission as to this filing or any other filing. Such an on-the-record review is needed to determine whether LP-6 constitutes just, reasonable, and not unduly discriminatory or preferential rates and would result in safe, reasonable, and adequate electricity utility service, in light of the Commission's Model Tariff Policy but also in light of further policy and factual developments that have occurred subsequent to PPL's 2025 Rate Case. The OCA raises these concerns under "New Matter" below and in its Formal Complaint filed against PPL Electric

before the Commission on Friday, October 2, 2026. Strict proof of the same is demanded through record evidence and/or at hearing.

59. Admitted. By way of further answer, the OCA agrees that concerns remain about the impact of LP-6-eligible customers on other customers' rates. The OCA raises these concerns under "New Matter" below and in its Formal Complaint filed against PPL Electric before the Commission on Friday, October 2, 2026.

60. Admitted.

61. Admitted.

62. Admitted.

63. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

64. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

F. PPL's Statement that Its Petition Will Ensure that Data Center Interconnections Pay Their Fair Share of Transmission Facilities Costs and Will Provide Increased Transparency

65. Denied. By way of further answer, OCA needs to investigate and verify the Petition's factual averments in the Petition and determine the merits of PPL's legal arguments, especially with consideration of the OCA's New Matter below, to determine its legal position as to the legal conclusions or relief that the Commission should adopt. Strict proof of the same is demanded through record evidence and/or at hearing.

66. Denied. By way of further answer, OCA needs to investigate and verify the Petition's factual averments in the Petition and determine the merits of PPL's legal arguments, especially with consideration of the OCA's New Matter below, to determine its legal position as to the legal conclusions or relief that the Commission should adopt. Strict proof of the same is demanded through record evidence and/or at hearing.

67. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

68. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

69. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

70. Admitted, in Part, Denied in Part. By way of further answer, and for clarification's sake, NITS and other transmission costs are currently recovered by PJM, not PPL, from load serving entities (LSEs) serving retail load. As an LSE, PPL, as the Commission-regulated default service provider for its service territory, in turn recovers the PJM-billed NITS from its retail non-shopping customers, or default service customers, without markup as part of its Commission-approved TSC. As LSEs, EGSs that are Commission-licensed to serve in PPL's service territory

and subject to PPL's Supplier Tariff, in turn, recover PJM-billed NITS from their shopping customers located within PPL's service territory, as set forth in individual contracts between the respective EGS and shopping customers. Strict proof of the same is demanded through record evidence and/or at hearing.

71. Denied. By way of further answer, and for clarification's sake, PPL's proposed CPTR likely would not eliminate the need for PJM to allocate NITS to LSEs/EGSs in the first instance, as such allocation is governed by PJM's tariff. However, if approved, it would eliminate the need for PJM to collect its allocated NITS amounts through billing to LSEs/EGSs that operate within PPL's service territory and to instead collect them from PPL Electric through billing to PPL Electric. PPL Electric stated that it would seek from PJM a billing line-item transfer and PPL Electric's Supplier Tariff likewise would direct EGSs to permit PPL Electric to seek this bill transfer at the PJM level. If such a bill transfer is effectuated at the PJM level, it is then admitted that such EGSs would not then need to recover these NITS costs from their retail shopping customers in contracts. Strict proof of the same is demanded through record evidence and/or at hearing.

72. Admitted.

73. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate and determine the veracity of this averment. By way of further explanation, it is unclear whether the components for the proposed CPTR would be effective to mitigate inter-class and intra-class cost-shifting. Specifically, the Petition does not adequately state whether CPT_{LP6} includes only the incremental (but-for) NITS and certain other transmission costs associated with LP-6 customers, or whether CPT_{LP6} includes existing zonal embedded NITS and certain other transmission costs *in*

addition to the incremental (but-for) NITS and certain other transmission costs of LP-6 customers. The OCA plans to investigate and determine whether the Company's proposal properly allocates NITS and certain other transmission costs to LP-6 customers, including their but-for costs *and* their fair contribution to existing zonal embedded NITS and certain other transmission costs. The OCA submits that it would be unjust and unreasonable to permit data centers to avoid paying the incremental, but-for costs that they are causing through interconnections *and* their fair contribution to embedded NITS costs and certain other transmission costs, and the OCA further submits that such an unjust and unreasonable outcome is not mandated or required under current FERC ratemaking requirements.

74. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

75. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

G. PPL's Statement that CPTR Will Provide a Mechanism to Assign Future PJM Charges, such as RBP and IRAS Costs, Attributable to Data Centers Directly to Rate LP-6.

76. Admitted.

77. Admitted.

78. Admitted.

79. Admitted, in Part, Denied, in Part. It is admitted that PPL Electric does not seek to prejudice FERC's action or the ultimate amount of any RBP costs; however, it is denied that the

CPTR would provide an appropriate retail recovery mechanism for any RBP costs ultimately assigned to PPL Electric that are properly attributable to a customer receiving service under Rate LP-6, as the OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment. However, the OCA plans to investigate and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

80. Admitted.

81. Admitted.

82. Denied. It is denied that the CPTR would provide an appropriate retail recovery mechanism for any IRAS costs ultimately assigned to PPL Electric that are properly attributable to a customer receiving service under Rate LP-6, as the OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

83. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

84. Denied. By way of further answer, OCA needs to investigate and verify the Petition's factual averments in the Petition and determine the merits of PPL's legal arguments, especially with consideration of the OCA's New Matter below, to determine its legal position as to the legal conclusions or relief that the Commission should adopt. Strict proof of the same is demanded through record evidence and/or at hearing.

85. Denied. By way of further answer, OCA needs to investigate and verify the Petition's factual averments in the Petition and determine the merits of PPL's legal arguments, especially with consideration of the OCA's New Matter below, to determine its legal position as to the legal conclusions that the Commission should adopt. Strict proof of the same is demanded through record evidence and/or at hearing.

H. PPL's Statement that Its Proposed CPTR is Designed to Have Positive Impacts on Both Customer Affordability and the Retail Competitive Market

86. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

87. Admitted.

88. Denied. By way of further answer, and for clarification's sake, PPL's proposed CPTR likely would not eliminate the need for PJM to allocate NITS to LSEs/EGSs in the first instance, as such allocation is governed by PJM's tariff. Therefore, it is specifically denied that PPL Electric "would be *allocated* all of [NITS] costs" by PJM (emphasis added). However, if approved, it would eliminate the need for PJM to collect its allocated NITS amounts through billing to LSEs/EGSs that operate within PPL's service territory and to instead collect them from PPL Electric through billing to PJM Electric. PPL Electric stated that it would seek from PJM a billing line-item transfer and the OCA assumes that, if approved, PPL Electric's Supplier Tariff likewise would direct EGSs to permit PPL Electric to seek this bill transfer at the PJM level. Strict proof of the same is demanded through record evidence and/or at hearing.

89. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate

and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

90. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

91. Denied. By way of further answer, PPL's NITS proposal would not completely "de-risk" EGS offerings, as such offerings would still be subject to market fluctuation risks related to PJM's energy, capacity, and ancillary wholesale markets. Strict proof of the same is demanded through record evidence and/or at hearing.

I. PPL's Statement that It Has Taken or Will Take the Appropriate Steps to Implement Its Proposal.

Paragraphs 92 through 94. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averments and therefore denies the same. However, the OCA plans to investigate and determine the veracity of these averments. Strict proof of the same is demanded through record evidence and/or at hearing.

95. Admitted, in Part, Denied, in Part. It is admitted that PPL Electric will evaluate protections to mitigate customers. It is denied that the CPTR, as proposed, will adequately ensure that customers do not double-pay for NITS or other transmission costs. Shopping customers' payment of both the CPTR and retail electric supply contracts that include a NITS or other non-market-based transmission cost component would result in unjust and unreasonable rates. PPL Electric does not adequately specify the protections it has already implemented and/or it will implement to prevent customers from making duplicative payments for CPTR costs. The OCA plans to investigate and determine whether the transition protections PPL Electric has already

implemented and/or it commits to implementing adequately prevent customers from making duplicative payments for CPTR costs inclusive of any and all changes to, *inter alia*, PPL Electric's Supplier Tariff and EGS' disclosure statements in PPL Electric's service territory. Strict proof of the same is demanded through record evidence and/or at hearing.

96. Admitted, in Part, Denied, in Part. It is admitted that PPL Electric is targeting an effective date in the First Quarter of 2028. It is denied that this effective date would provide sufficient time for retail electric supply contracts to be updated to reflect the removal of certain transmission costs, including NITS, absent further investigation, in light of the lack of adequate specificity regarding PPL Electric's transition mechanisms and safeguards. Strict proof of the same is demanded through record evidence and/or at hearing.

97. Admitted, in Part, Denied, in Part. It is admitted that PPL Electric submitted statements attached to the Petition as Appendix C. It is denied that the statements are sufficient to satisfy the requirements of Section 53.52(a), because the OCA lacks sufficient knowledge or information to form a reasonable belief about the truth of PPL's averments contained within the statements and therefore denies the same. The OCA plans to investigate and determine the veracity of these averments. Strict proof of the same is demanded through record evidence and/or at hearing.

J. PPL's Statement that Its Proposed CPTR Aligns with Commission Precedent

Paragraphs 98 through 103. Denied. By way of further answer, OCA needs to investigate and verify the Petition's factual averments in the Petition and determine the merits of PPL's legal arguments, especially with consideration of the OCA's New Matter below, to determine its legal position as to the legal conclusions or relief that the Commission should adopt. Strict proof of the same is demanded through record evidence and/or at hearing.

K. PPL's Statement that It Should Be Granted Any and All Requested Waivers.

104. Admitted.

105. Admitted.

106. Admitted, in Part, Denied, in Part. By way of further answer, OCA needs to investigate and verify the Petition's factual averments in the Petition and determine the merits of PPL's legal arguments, especially with consideration of the OCA's New Matter below, to determine its legal position as to the legal conclusions or relief that the Commission should adopt. Strict proof of the same is demanded through record evidence and/or at hearing.

107. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

108. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

109. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averments and therefore denies the same. However, the OCA plans to investigate and determine the veracity of these averments. Strict proof of the same is demanded through record evidence and/or at hearing.

110. Admitted, in Part, Denied, in Part. By way of further answer, OCA needs to investigate and verify the Petition's factual averments in the Petition and determine the merits of PPL's legal arguments, especially with consideration of the OCA's New Matter below, to determine

its legal position as to the legal conclusions or relief that the Commission should adopt. Strict proof of the same is demanded through record evidence and/or at hearing.

L. PPL's Statement Regarding Customer Notice

111. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

112. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

113. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

114. Denied. By way of further answer, the OCA raises concerns below under "New Matter" regarding the misleading or muddy name of the proposed rider that may result in customer confusion. Any published notice should contain a modified name that is not misleading and not lacking transparency. Strict proof of the same is demanded through record evidence and/or at hearing.

115. The OCA lacks sufficient knowledge or information to form a belief about the truth of PPL's factual averment and therefore denies the same. However, the OCA plans to investigate

and determine the veracity of this averment. Strict proof of the same is demanded through record evidence and/or at hearing.

116. Denied. By way of further answer, the OCA raises concerns below under “New Matter” regarding the misleading or muddled name of the proposed rider that may result in customer confusion. Any published notice should contain a modified name that is not misleading and that is not lacking transparency to non-data center consumers. Strict proof of the same is demanded through record evidence and/or at hearing.

117. Denied. By way of further answer, the OCA raises concerns below under “New Matter” regarding the misleading or muddled name of the proposed rider that may result in customer confusion. Any published notice should contain a modified name that is not misleading and that is not lacking transparency to non-data center consumers. Strict proof of the same is demanded through record evidence and/or at hearing.

118. Denied. By way of further answer, the OCA raises concerns below under “New Matter” regarding the misleading or muddled name of the proposed rider that may result in customer confusion. Any published notice should contain a modified name that is not misleading and that is not lacking transparency to non-data center consumers. Strict proof of the same is demanded through record evidence and/or at hearing.

IV. NEW MATTER

A. Additional Legal Standards

119. Paragraphs 1 through 118 are hereby incorporated by reference and restated in this section.

120. Given that a utility’s rates and service relating to the interconnection of and service to new data centers will substantially affect the interests of existing consumers, the Commission

must “consistent with its other statutory responsibilities, take such action with due consideration to the interests of consumers.” 71 P.S. Sec. 309-5.

121. A utility’s “rate” is defined broadly in statute, as follows:

"Rate." Every individual, or joint fare, toll, charge, rental, or other compensation whatsoever of any public utility...made, demanded, or received for any service within this part, offered, rendered, or furnished by such public utility...whether in currency, legal tender, or evidence thereof, in kind, in services or in any other medium or manner whatsoever, and whether received directly or indirectly, and *any rules, regulations, practices, classifications or contracts affecting any such compensation, charge, fare, toll, or rental.*

66 Pa. C.S. Sec. 102 (emphasis added).

122. By definition, a rate includes not just the monetary charge for the service but also any rules, regulations, practices, classifications, or contracts affecting such charge. *Id.*

123. Upon its own motion, or upon complaint, the Commission may find the existing rates of a public utility for any service unjust, unreasonable, or otherwise unlawful. 66 Pa. C.S. Sec. 1309(a). In finding such, the Commission must determine and establish the just and reasonable rates to be thereafter observed and in effect by force of law. *Id.*

124. Rates, including ESAs and CSAs, must adhere to tariffs that are publicly on file with the Commission. 66 Pa. C.S. Sec. 1303.

125. Every rate made, demanded, or received by a public utility shall be just and reasonable, and in conformity with regulations or orders of the commission. 66 Pa. C.S. Sec. 1301.

126. Every rate, made, demanded, or received by a public utility must not be unduly discriminatory or preferential. 66 Pa. C.S. Sec. 1304.

127. Cost of providing service is the polestar in achieving just and reasonable rates. *Lloyd v. Pa. Pub. Util. Comm’n*, 904 A.2d 1010, 1020 (Pa. Cmwlth. 2006).

128. Utility “service” is defined broadly in statute, in pertinent part, as follows:

“Service.” Used in its broadest and most inclusive sense, includes any and all acts done, rendered, or performed, and any and all things furnished or supplied, and any and all facilities used, furnished, or supplied by public utilities, or contract carriers by motor vehicle, in the performance of their duties under this part to their patrons, employees, other public utilities, and the public, as well as the interchange of facilities between two or more of them...

66 Pa. C.S. Sec. 102; *see also* *PECO Energy Co. v. Twp. of Upper Dublin*, 922 A.2d 996, 1000 (Pa. Cmwlth. 2007) (citing 66 Pa. C.S. Sec. 102) (service is defined “in its broadest and most inclusive sense”).

129. Utility “facilities” is defined broadly in statute, in pertinent part, as follows:

"Facilities." All the plant and equipment of a public utility, including all tangible and intangible real and personal property without limitation, and any and all means and instrumentalities in any manner owned, operated, leased, licensed, used, controlled, furnished, or supplied for, by, or in connection with, the business of any public utility.

66 Pa. C.S. Sec. 102.

130. A public utility must furnish and maintain adequate, efficient, safe, and reasonable service and facilities. 66 Pa. C.S. Sec. 1501.

131. A public utility must make all such repairs, changes, alterations, substitutions, extensions, and improvements in or to such service and facilities as shall be necessary or proper for the accommodation, convenience, and safety of its patrons, employees, and the public. 66 Pa. C. S. Sec. 1501.

132. A public utility’s service shall be reasonably continuous and without unreasonable interruptions or delay. Such service and facilities shall be in conformity with the regulations and orders of the commission. 66 Pa. C.S. Sec. 1501.

133. As to service, a public utility cannot make or grant any unreasonable preference or advantage to any person, corporation, or municipal corporation, or subject any person, corporation, or municipal corporation to any unreasonable prejudice or disadvantage. 66 Pa. C.S. Sec. 1502.

134. No public utility shall establish or maintain any unreasonable difference as to service, either as between localities or as between classes of service, but this section does not prohibit the establishment of reasonable classifications of service. 66 Pa. C.S. Sec. 1502.

135. PPL Electric 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 Sec. 57.52(a). PPL Electric 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.*

136. PPL Electric must establish procedures for controlling load during forced customer outage events. 52 Pa. Code Sec. 57.52(b). Such procedures must include schedules of manual load shedding priorities to followed in compliance with Section 57.52(a). *Id.* These procedures may be revised if required by the Commission. *Id.*

137. 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.*

B. PPL's Existing Rates are Unjust and Unreasonable and Unduly Discriminatory or Preferential and PPL's Tariff Does Not Ensure that Service will Be Reasonable, Adequate, or Reliable for All Customers as PPL Electric Adds Data Centers to Its Electric System.

138. PPL Electric's existing rates are unjust, unreasonable, or unduly discriminatory or preferential because it does not establish a reasonable classification of service for data centers as computational loads with eligibility defined by appropriate criteria. 66 Pa. C.S. Sections 1301, 1304.

139. While PPL Electric's tariff establishes classification of service for high-voltage service, LP-5 and LP-6, such existing rate classifications are unjust, unreasonable, and unduly preferential for data centers because the tariff does not establish reasonable classifications of service applicable only to data centers given the unique nature of their loads and the costs risks, cost shifting risks, and reliability degradation risks that they cause the distribution system and other customers to experience. Rather, Rate LP-6 is applicable to new customers of a particular size interconnecting at 69 kV or higher, regardless of the reliability- and cost-related risks associated with the customer's end-use function. Rate LP-5 currently captures all other customers interconnecting at 69 kV or higher.

140. The Commission's 2026 Electricity Load Forecast Accountability Annual Report identifies substantial projected load growth in PPL Electric's service territory. The Commission reports that PPL Electric projects total energy usage to increase at an average annual rate of 20.51% over the next five years, including an average annual increase of 51.05% in industrial usage, compared with 0.01% for residential usage and 0.10% for commercial usage. The Commission further found that PPL Electric has projected a substantial increase in industrial usage and peak load and notes that this increase is "almost entirely due to the onboarding of large data centers." The Commission further found that PPL Electric's projected demand and peak-load growth

attributable to data centers is “by far the largest” among Pennsylvania’s electric distribution companies.

141. While LP-6 and the CPTR mechanism proposed by PPL Electric represent steps toward addressing concerns facing non-data center customers, the landscape has changed materially since PPL’s 2025 Rate Case.

142. PPL Electric’s CPTR Petition reflects a substantial increase in the large-load forecast underlying its current planning assumptions. The Petition states that the current pipeline of advanced-stage data centers in PPL Electric’s service territory, representing projects that have signed agreements and will pay for project-related work even if the projects do not advance, totals approximately 31.8 GW by 2034. This 31.8-GW figure is significantly greater than the large-load forecasts relied upon in PPL Electric’s most recent base rate case and as the Commission saw the forecast when it issued its order on June 4, 2026.

143. Given this significant change in projected large-load growth, the Commission should independently examine the assumptions underlying PPL Electric’s 31.8-GW forecast, including the extent to which the projects comprising that forecast are sufficiently advanced and likely to materialize, before relying on that forecast in evaluating the proposed CPTR or related cost-recovery mechanisms. This is the proper forum to do so, as that forecast materially impacts existing customers as explained herein.

144. In addition to reviewing PPL Electric’s updated and significantly larger large-load forecast, the Commission should consider how that forecast informs PPL Electric’s proposed cost-recovery mechanisms as a whole, including the proposed CPTR, and whether the assumptions underlying those mechanisms remain appropriate in light of the substantial increase in projected large-load growth.

145. The creation of a separate rate classification in PPL Electric's Retail Tariff for computational loads, as proposed in the OCA's Formal Complaint filed against PPL on October 2, 2026, would be just and reasonable and not unduly discriminatory or preferential because it will ensure that data centers pay their full share of the costs that they are causing and prevent costs from being shifted or imposed on other ratepayers.

146. The creation of a separate rate classification in PPL Electric's Retail Tariff for computational loads would be a reasonable classification of service because the size of data center demand and the nature of their loads present unique reliability risks that must be addressed by PPL Electric through adequate tariff provisions, including interconnections terms and conditions, interruptible rates, and tariff operating provisions, that will ensure the continued provision of safe and reliable electricity service to existing consumers.

147. The creation of a separate rate classification in PPL Electric's Retail Tariff for computational loads would be a reasonable classification of service because it relates to how PPL Electric has incorporated and will incorporate proposed data center additions into its load forecast and which load forecasts are used for different planning efforts.

148. PPL Electric's tariff is unjust, unreasonable, and/or unduly discriminatory or preferential because it does not establish mandatory interruptible rates and tariff operating procedures to implement interruptible rates for data center customers in times of emergency conditions that connect to the system and cause resource adequacy shortages or degradation of service reliability to the distribution system and existing consumers. This includes establishing interruptible rates with different points of interruption during load control procedures, including differentiating between pre-emergency and emergency service interruptions, as well as material penalties for non-compliance with calls for interruption.

149. The Model Tariff leaves it to each EDC, to determine how to revive and implement an interruptible service class for Large Load Customers through individual tariff proceedings.²¹ Rather than establishing a uniform statewide interruptible-service structure, the Commission ordered that interruptible service programs be based on each EDC's existing interruptible tariff provisions.²² This approach gives each EDC flexibility to develop a program suited to its system and customer base, but it also means that an important element of the large-load framework remains to be worked out on a utility-by-utility basis. Yet, this portion of the Model Tariff overlooks that current EDC tariffs do not offer comprehensive interruptible rate schedules.

150. Mandatory interruptible rate schedules applicable to computational load entities, as appropriate, combined with appropriate tariff operating procedures, can reduce or defer the escalation of emergency actions that need to be taken on the PJM grid or PPL Electric system that can impact firm customers, including residential, small business, and traditional large commercial and industrial consumers.

151. By failing to establish an operationally interruptible class as part of PPL Electric's Retail Tariff, the Commission permits data centers to take service on terms that may require other customers to bear costs and reliability risks that could otherwise be avoided or mitigated through curtailment.

152. The Model Tariff leaves the critical question of how upgrade costs will ultimately be allocated to EDC-specific tariff proceedings.²³ In particular, the Model Tariff does not fully answer whether a large-load customer will be required to bear 100% of the cost of necessary system upgrades (i.e., the but-for costs of customer interconnection and service) or instead be

²¹ *Id.* at 92.

²² *Id.*

²³ Pa. PUC, *Interconnection and Tariffs for Large Load Customers*, Docket No. M-2025-3054271, Final Order at 41-42 (Apr. 30, 2026; entered May 12, 2026).

responsible only for a defined portion of the costs attributable to the customer's load.²⁴ Equally important is the methodology the specific EDCs will use to identify and quantify that "customer-caused" amount in individual tariff proceedings.²⁵ Accordingly, individualized EDC-tariff proceedings are the appropriate venue to determine how, within each service territory and under each EDC's tariff, the costs caused by computational large-load customers should be identified, allocated, and recovered, ensuring that those customers bear their fair share without shifting costs to the EDC's broader customer base.

153. Data centers and other large loads more often than not require substantial transmission network upgrades, local transmission upgrades, substations, transformers, breakers, line extensions, feeder upgrades, and other wires facilities. The core regulatory question is whether these costs will be assigned to the large load customers that cause them or socialized across existing customers. The starting point should be a but-for cost causation standard, as recently accepted by the Commission in the Model Tariff.

154. A preliminary examination of PPL Electric's tariff reveals that existing rates and any negotiated rates stemming therefrom are unjust, unreasonable, and/or unduly discriminatory or preferential because it does not establish with sufficient specificity the requirement for the data center customer to pay the full incremental costs that would not have been incurred but for their load. This includes directly assigned and allocated transmission costs that may otherwise be recovered through NITS rates or other wholesale charges that flow through to retail customers. Distribution cost recovery should be addressed in a similar manner.

155. PPL's Petition to establish the CPTR with respect to NITS costs is admission of the same and further evidence of the likelihood of harm to its existing ratepayers, and that its rates are

²⁴ *Id.*

²⁵ *Id.*

currently unjust, unreasonable, and/or unduly discriminatory or preferential. The Company would not have proposed such a mechanism if it determined that its existing retail rate structure was capable of allocating transmission upgrade costs consistent with existing policy direction from the Commission and Ratepayer Protection Pledge.

156. The OCA disputes that PPL Electric cannot, at present and consistent with existing FERC precedent and policy, directly assign transmission network upgrade costs to new large load customers when the new large load customer is the but-for cause of PPL Electric incurring those costs.²⁶ As a result, while the CPTR Petition proposes relief, the Commission should ensure that the relief proposed can be effectuated through establishing a consistent definition of “but-for” costs to be applied through whatever mechanism is approved to be just, reasonable, and not unduly discriminatory or preferential.

157. If PPL Electric constructs dedicated or highly project-specific facilities and then refunds contributions in aid of construction through delivery revenues, existing customers may face stranded cost risk if the large load later reduces load, delays ramp, or exits service. Embedded recovery through volumetric distribution rates is therefore inappropriate where costs are highly site-specific.

²⁶ *Inquiry Concerning the Commission’s Pricing Policy for Transmission Services Provided by Public Utilities Under the Federal Power Act*, 69 FERC P61,086, n. 30, 34 (1994) (“Under a line-by-line pricing method, the costs of each transmission line, or segment, are allocated to individual transmission transactions, based on the usage each transaction makes of each line or segment.”); *Public Serv. Co.*, 175 F.E.R.C. P61,111, ¶ 64 (2021) (“The Commission has established that embedded and incremental pricing models can be used simultaneously for related projects. Leeward states that it opposes the ‘mixing and matching’ of incremental and embedded pricing. However, in the Transmission Pricing Policy Statement, the Commission embraced a flexible approach to cost disaggregation and specifically noted that line-by-line ‘or’ pricing is permissible. The Commission stated such proposals ‘would permit the use of embedded costs for some lines when this is the higher of embedded or incremental costs, and the use of incremental cost for other lines when this is the higher of embedded or incremental costs.’”) *modified on other grounds Public Serv. Co.*, 177 F.E.R.C. P61,094 (2021); *cf. Gas Transmission Nw. v. FERC*, 157 F.4th 674, 704 (5th Cir. 2025) (affirming FERC’s rejection of rolled-in treatment for interstate natural gas expansion facilities that are caused by an incremental customer interconnections and do not accrue additional marginal benefits to existing customers).

158. While transmission upgrade costs are recovered through federal jurisdiction transmission rates, the utility's retail distribution tariff results in unjust, unreasonable, and unduly discriminatory or preferential rates because it fails to condition retail service on state-jurisdictional protections that prevent the federal allocation from producing retail cost shifting.

159. Existing default service rates may be unjust, unreasonable, unduly discriminatory or preferential, or otherwise unlawful because they require default service customers to subsidize the costs of providing service to data centers.

160. Data center tariff provisions should be coordinated with retail choice and default service rules. Shopping status should not allow a large load to avoid capacity, transmission, RBP, public policy, or reliability costs that are attributable to its service requirements. Similarly, costs caused by shopping large load customers should not be shifted into standard offer or default service charges paid by residential customers.

161. The OCA's investigation intends to address whether existing retail capacity assignment and rate design mechanisms remain just and reasonable.

162. The OCA intends to investigate whether PPL Electric should establish a separate default service rate class for data center customers. Due to the unique risks and costs associated with procurement of energy, capacity, and ancillary services costs for data center customers – including but not limited to Reliability Backstop Obligation costs, described *infra* – PPL Electric's current default service rate class structure may result in cost-shifting among large commercial and industrial default service customers.

163. While PPL Electric, in the CPTR Petition, avers that the CPTR mechanism, as proposed, could be utilized to assign RBP- and IRAS-related costs directly to new data center customers, it is unclear whether or not the Commission could approve such a mechanism.

Specifically, costs incurred under the RBP and IRAS mechanisms, as proposed, would be generation supply costs and not related to the allocation or assignment of transmission rates. The Public Utility Code and Commission's regulations prohibit the use of bundled generation supply and transmission rates.²⁷ As a result, it is unclear whether and to what inclusion of Retail Backstop Procurement (RBP) and Interim Resource Adequacy Service (IRAS) costs in a transmission rate mechanism would result in just, reasonable, and/or unduly discriminatory or preferential rates.

164. Regarding risks of cost shifting and the risks of other customers paying stranded costs, The Commission's Model Tariff represents an important first step toward ensuring that the costs and risks associated with rapidly growing large loads, particularly data centers and other computational loads, are not shifted unfairly to existing customers.²⁸ The Commission has now established a general, broad, statewide framework for large-load customers at or above 50 MW individually or 100 MW in the aggregate, including but not to providing guidance for minimum contract terms, an 80-percent minimum billing-demand requirement, collateral requirements, customer-funded interconnection and planning studies, six-month deadlines for interconnection studies, and cost allocation principles designed to make large loads responsible for the distribution and transmission investments necessary to serve them.²⁹ The Model Tariff also establishes protections against premature load departure through long-term contracts and an exit-fee framework, while allowing limited flexibility for customers to reduce contracted capacity.³⁰

165. At the same time, however, the Model Tariff appropriately leaves a number of consequential policy questions for future, EDC-specific tariff proceedings and further Commission

²⁷ 66 Pa. C.S. Sections 2804(3), 2807(c)(1); 52 Pa. Code Sec. 54.4(b)(3) (providing that generation and transmission charges should separately appear on customers' bills).

²⁸ Pa. PUC, *Interconnection and Tariffs for Large Load Customers*, Docket No. M-2025-3054271, Final Order at 4–5, 121–128 (Apr. 30, 2026; entered May 12, 2026).

²⁹ *Id.*

³⁰ *Id.* at 124–125.

consideration. In particular, the framework does not comprehensively resolve how existing large-load customers and existing contractual arrangements should be grandfathered or transitioned into updated tariff language; how the exit-fee provisions should be applied to particular investments, revenues, and remaining contractual obligations in individual cases; or whether and how computational large loads should contribute more broadly to hardship funds and/or share in the costs of universal-service programs.³¹

166. A preliminary examination of PPL Electric's tariff is that existing rates are unjust, unreasonable, or unduly discriminatory or preferential because the tariff does not establish with sufficient specificity the ramp limits, minimum contract terms, minimum demand provisions, study deposits, financial security, exit fees, curtailment priority, mandatory telemetry, data reporting, Commission approval of negotiated agreements, and public policy charge obligations, consistent with the policy framework in the Commission's Model Tariff, and in light of the specific cost, reliability, and market risks posed by data centers.

167. The OCA intends to review LP-6 in relation to the Commission's Model Tariff policy as to these protections and in light of subsequent policy and factual developments to determine if the provisions of LP-6 remain just, reasonable, and not unduly preferential. Any new rate classification that is specifically applicable to data centers must establish appropriate protections that protect against the risks of cost shifting and the risks of other customers paying stranded costs.

168. Data centers are interconnecting to the PPL's Electric distribution system at a time when residential customers already face significant affordability concerns due to the level of

³¹ *Id.* at 17, 29, 83, 106, and 114-116.

current electric rates. *See* Formal Complaint against PPL Electric, filed by the OCA on October 2, 2026.

169. Consumers are facing disconnections for failure to pay at a higher rate, with one out of six American households reportingly behind on paying their utility bills. *See* Formal Complaint against PPL Electric, filed by the OCA on October 2, 2026.

170. As recognized by the Commission, electric utility rates have increased significantly across the State in recent years. The rates charged by PPL Electric are no exception. Rates for electric service from PPL Electric have increased across all major customer classes over the past decade.

171. Moreover, the magnitude of these increases is particularly pronounced in the most recent years, as nearly all of the increase occurred between 2021 and 2025. During that period alone, the average rate for electric service from PPL Electric increased by 36.9 percent, following a period of relative rate stability in the preceding years. The recent and substantial escalation in rates affects all customer classes.

172. Pennsylvania is experiencing increasing instances in which residential customers do not meet the income requirements for hardship assistance or other income-based utility relief, yet have limited discretionary income available to absorb increases in electric bills. As a result, even modest increases in residential electricity costs may impose a meaningful financial burden on households that do not qualify for traditional assistance programs but nevertheless have limited capacity to accommodate higher utility expenses. *See* Formal Complaint against PPL Electric, filed by the OCA on October 2, 2026.

173. Neither LP-6 nor CPTR, however, directly addresses the immediate affordability crisis confronting a residential customer who cannot afford today's bill, nor does the proposed

CPTR provide direct bill relief or additional protections targeted at households with the least ability to absorb electric-cost increases.

174. Enhanced protections for confirmed low-income customers are necessary and appropriate as data-center interconnections increase system demand.

175. Low-income customers are particularly vulnerable to the potential costs associated with rapid data center development because they have less ability to absorb increases in their electric bills and are more likely to depend on customer assistance programs to maintain essential service.

176. Large-load interconnections can increase wholesale energy, capacity, and transmission costs, and that the resulting costs can affect residential customers, including customers participating in PPL's Customer Assistance Program (CAP).

177. The Commission's own statements recognize a direct connection between rapid data-center growth, rising electric costs, and residential affordability. Vice Chair Kimberly Barrow has called for large-load customers to make contributions commensurate with the supply costs associated with their increased demand, while noting that residential electricity prices had risen 10.2% year over year and identifying data-center demand, among other factors, as a source of growing supply-price pressure. She also cited PJM's forecast that data-center demand could reach 32 GW by 2030.³²

178. The PPL Electric base rate case settlement provided an important, though limited, measure of protection for residential and low-income customers by requiring large-load customers to contribute to PPL's Universal Service Rider (USR). Beginning January 1, 2027, PPL Electric will allocate \$11 million annually in USR costs to the new LP-6 rate class, with the costs recovered

³² See Pa. Pub. Util. Comm'n, Interconnection and Tariffs for Large Load Customers, Docket No. M-2025-3054271 (Nov. 6, 2025) (Barrow, Vice Chair, statement).

through a non-bypassable customer charge. The Commission acknowledged that the \$11 million contribution is small relative to the forecasted short- and long-term rate impacts associated with data-center interconnections, and the underlying assumptions and data to arrive at \$11 million dollars has already changed and shifted, requiring additional contributions to offset the updated load forecasting as expressed by PPL Electric in its Proposed CPTR Petition.

179. Thus, the landscape for PPL Electric consumers has changed by PPL's own load forecasting updates since the base rate case settlement and the Order publishing the same.

180. Therefore, PPL Electric customers, particularly low-income customers, require additional updated protections that operate at the point of current bill affordability; not merely safeguards against the possibility that future large-load growth could impose additional costs.

181. PPL Electric's identification and tracking of confirmed low-income customers, the protections afforded to those customers under LP-6, proposed CAPTR, and applicable Commission requirements, and the adequacy of PPL's Universal Service Fund contribution warrant comprehensive review in the context of the separate proceeding as initiated by the OCA through the filing of a Formal Complaint on October 2, 2026, which is designed to address the broader issues presented. Without such review and appropriate strengthening of these protections, eligible low-income customers may fail to receive the protections to which they are entitled, while increasing system demand may leave PPL's USF contribution inadequate to address growing affordability concerns.

182. These issues should not be considered in isolation or resolved piecemeal in this proceeding, but instead should be evaluated holistically in the context of the separate proceeding as initiated by the OCA through the filing of a Formal Complaint on October 2, 2026, which is designed to address the broader issues presented. PPL Electric should be required to conform its

practices to Commission requirements, improve its identification and tracking of confirmed low-income customers, and provide an adequate USF contribution. Failure to do so may result in rates and service that are unjust, unreasonable, unduly discriminatory or preferential, or otherwise unlawful.

C. The Current Name of the Rider Lacks Transparency and Clarity as to Its True Meaning and, Therefore, the Rider Name Should Be Replaced Before Notices are Published Regarding PPL's Petition.

183. The OCA objects to the naming of the “Customer Protection Transmission Rider” as proposed. While the OCA appreciates the spirit of PPL’s proposal, the OCA does not believe the name is fully accurate in its title. The proposal, as filed, is fundamentally designed to identify and assign to data center customers the incremental transmission costs that would not have been incurred but for their interconnection, while maintaining broader transmission costs for the customer classes that appropriately bear them. “Non-Market-Based Services Rider” or “Rider NMB” more precisely communicates the rider’s central function—allocating cost responsibility based on cost causation to computational load entity customers—rather than framing the mechanism primarily as a form of customer protection. Thus, the OCA respectfully requests that the Commission, PPL, and parties of record use Rider NMB moving forward, or otherwise develop and agree to a separate title for the proposed rider which accurately communicates to consumers that it charges responsible customers for non-market-based transmission services incurred by their LSE. The record to date should expressly demonstrate that CPTR is a proposal and not the agreed-upon or ordered name for what PPL Electric is proposing in these instant dockets.

184. The Rider NMB title also is sufficiently broad to encompass the Company’s proposal’s potential application to future PJM charges attributable to computational load customers, while remaining specific about the class whose costs are being addressed. At the same time, PPL’s framing of the proposal is somewhat presumptuous in suggesting, through the

“Customer Protection” terminology, that the appropriate allocation of these costs has already been established. That determination is properly a matter for Commission consideration, and the Rider NMB designation more neutrally describes the mechanism without prejudging the Commission’s ultimate determination regarding who should bear those costs. To this end, the OCA also respectfully requests that the Commission consider a different caption for these matters. The OCA proposes something similar to: “Petition Of PPL Electric Utilities Corporation For Approval Of Its Proposed Non-Bypassable Non-Market-Based Services Rider, Elimination Of Its Transmission Service Charge, Changes To Its Generation Supply Charges, Changes To Its Retail Tariff, Changes To Its Electric Generation Supplier Coordination Tariff, Amendment Of Its Default Service Plan, And Any Necessary Waivers Of Commission Regulations.”

V. CONCLUSION

The Office of Consumer Advocate respectfully requests that the Public Utility Commission set this matter for full evidentiary proceedings in order to fully examine and investigate the Company's Petition.

Respectfully submitted,

/s/ Melanie Joy El Atieh
Melanie Joy El Atieh
Deputy Consumer Advocate
PA Attorney I.D. # 209323
MElatieh@paoca.org

Katherine "Katie" Kennedy
Assistant Consumer Advocate
PA Attorney I.D. # 317237
KKennedy@paoca.org

Jacob Guthrie
Assistant Consumer Advocate
PA Attorney I.D. # 334367
JGuthrie@paoca.org

Ryan Morden
Assistant Consumer Advocate
PA Attorney I.D. # 335679
RMorden@paoca.org

Crystal Zook
Assistant Consumer Advocate
PA Attorney I.D. # 334159
CZook@paoca.org

Counsel for:
Darryl A. Lawrence
Consumer Advocate

Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
(717) 783-5048

DATED: October 2, 2026

PUBLIC STATEMENT OF THE OFFICE OF CONSUMER ADVOCATE
PURSUANT TO 71 P.S. SECTION 309-4(e)

The Pennsylvania Office of Consumer Advocate (OCA) was established by the General Assembly in 1976 to represent the consumers of Pennsylvania in matters involving their utility rates and service, as regulated by the Pennsylvania Public Utility Commission (Commission). The OCA's enabling statute is found at 71 P.S. Sections 309-1 – 309-8. Pursuant to 71 P.S. Section 309-4, the Consumer Advocate has the authority and duty to represent the interests of utility consumers as a party before the Commission in any matter properly before the Commission. 71 P.S. Sec. 309-4. The Consumer Advocate also has the authority and duty to initiate proceedings if in the Consumer Advocate's judgment such may be necessary, in connection with any matter involving regulation by the Commission. 71 P.S. Sec. 309-4. In determining the interests of consumers, the Consumer Advocate must consider the public interest, the resources available, and the substantiality of the effect of the proceeding on the interest of consumers. 71 P.S. Sec. 309-4.

In accordance with the OCA's enabling statute, and for the following reasons, the Consumer Advocate determined to file an Answer and participate in this proceeding before the Commission involving PPL Electric Utilities Corporation (PPL Electric or Company) Petition to implement a non-bypassable rider currently titled as the "Customer Protection Transmission Service Charge."

On September 14, 2026, PPL Electric filed its Petition to implement the non-bypassable Customer Protection Transmission Service Charge before the Pennsylvania Public Utility Commission (the Commission). After reviewing PPL Electric's filing the OCA believes that PPL Electric's proposal presents substantial issues that may have a negative impact on consumers. On October 4, 2026, the OCA filed an answer to PPL's petition seeking the matter to be assigned to the Office of Administrative Law Judge (OALJ) for hearings before the Commission considers

granting the Petition. The OCA will work to ensure that PPL's petition will benefit consumers by fully investigating each aspect of its proposal.

The Consumer Advocate has determined that it is necessary to participate in this proceeding to protect the interests of PPL Electric's customers. The OCA will seek to ensure that adequate, reasonable, reliable and not unduly preferential service is provided to all customers at just, reasonable, and not unduly preferential or discriminatory rates and otherwise in accordance with applicable statutes.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of PPL Electric Utilities Corporation	:	
for Approval of Its Non-Bypassable Customer	:	Docket No. P-2026-3065185
Protection Transmission Rider, Elimination of	:	
Its Transmission Service Charge, Changes to	:	
Its Generation Supply Charges, Changes to Its	:	
Retail Tariff, and Changes to Its Electric	:	
Generation Supplier Coordination Tariff	:	
	:	
Petition of PPL Electric Utilities Corporation	:	Docket No. P-2026-3065186
for Waiver of Any and All	:	
Regulations Necessary to Implement the	:	
Company's Proposals	:	
	:	
Petition of PPL Electric Utilities Corporation for	:	Docket No. P-2024-3047290
Amendment of Its Default Service Program and	:	
Procurement Plan for the Period June 1, 2025,	:	
through May 31, 2029	:	

VERIFICATION

I, Darryl A. Lawrence, hereby state that the facts set forth in the Office of Consumer Advocate's Answer and Public Statement to PPL Electric Utilities Corporation's Petition, are true and correct (or are true and correct to the best of my knowledge, information, and belief) and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: October 2, 2026

Signature: /s/ Darryl A. Lawrence
Darryl A. Lawrence
Consumer Advocate

Address: Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923