



Executive Summary of the Pennsylvania Office of Consumer Advocate's (PA OCA's) Revised Alternate Proposal Submitted on November 4, 2025 in the PJM CIFP-LLA Process:

Key Points of the PA OCA's Proposal:

- Proposes a definition of Large Loads
- Supports PJM's expedited interconnection queue proposal
- Supports Maryland Office of People's Counsel's (MD OPC's) load forecasting proposal, mandatory bring your own capacity (BYOC) proposal, and load-offset demand response (LODR) proposal
- Explains current key differences between PA OCA and MD OPC Proposals

I. The Problem

Large data center load additions (LLAs) have caused a growing resource adequacy problem in PJM's capacity market. Of the 32 GW of peak load growth that PJM has forecasted for 2024 to 2030, 30 GW come from data centers.¹ To address this problem, PJM has prioritized the "development of reliability-focused solutions to ensure [LLAs] can continue to be integrated . . . *without causing resource inadequacy*."² Although PJM's letter initiating the CIFP process made no mention of affordability, the bipartisan governors' letter correctly noted that "our regional grid confronts intertwined reliability and affordability crises."³

Reliable, reasonable, and affordable electricity service is fundamental to public health and safety and foundational to economic growth and development in the Commonwealth of Pennsylvania. However, Pennsylvania consumers are facing the risk of having to pay more for less reliable electric utility service in the near future due to projected shortfalls in electric supply.

¹ Letter from PJM to PJM Stakeholders (Aug. 8, 2025), <https://www.pjm.com/-/media/DotCom/about-pjm/who-we-are/public-disclosures/2025/20250808-pjm-board-letter-re-implementation-of-critical-issue-fast-path-process-for-large-load-additions.pdf>.

² *Id.* (emphasis added).

³ Letter from Nine Bipartisan Governors to the PJM Board of Managers (July 16, 2025), <https://www.pjm.com/-/media/DotCom/about-pjm/who-we-are/public-disclosures/2025/20250717-nine-governors-letter-regarding-board-vacancies.pdf>.

II. The PA OCA's Proposal

The PA OCA supports PJM's proposals for an expedited interconnection track for LLAs. Because these LLAs seek preferential treatment through an expedited process, to prevent this preferential treatment from becoming unduly preferential and unjust and unreasonable rates, rules, and practices,⁴ LLAs must seriously address the costs and consequences that their preferential treatment would cause for all other consumers served by the regional grid. Thus, the PA OCA supports the MD OPC's mandatory BYOC and LODR proposals and load forecasting proposal (which adopts and refines PJM's and the Data Center Coalition's proposals).

Given the complex relationship between manual load shedding processes and emerging policy questions—and the potential, serious consequences for Pennsylvania consumers—the PA OCA supports the Data Center Coalition's proposal to keep load shedding processes at the status quo in the CIFP process.

III. PA OCA v. MD OPC Proposals – Key Differences

#1 Large Load Definition

- PA OCA proposes the following for Large Load Definition: Peak demand of 20 MWs or greater, at same interconnection point or multiple interconnection points where the LLA is an array of connected facilities.
- Large load needs to be defined and “Status Quo” would not accomplish this definition.
- PA OCA also considers the nuance of an array of facilities.

#6 RTEP Planning

- PA OCA supports the status quo. The Large Load developer should pay 100% of the costs that are incurred specifically to connect the LLA to the system. After that, there should be no potential for credits.
- PA OCA is concerned about transmission cost allocation and does not support changing existing cost allocation processes within the CIFP process.

#40 & #41 Load Shedding

- PA OCA supports the status quo given the complex relationship between manual load shedding processes and emerging policy questions and the potential, serious consequences for Pennsylvania consumers.

⁴ See *PJM Power Providers Grp. v. FERC*, 96 F.4th 390, 394 (3d Cir. 2024) (citing 16 U.S.C. § 824d(a)-(b)) (outlining FPA Section 205 legal standard “that all rates related to the transmission or sale of electric energy, and all related rules and regulations, are just and reasonable and *not unduly preferential*” (emphasis added)).

#15b RPM Offer Restrictions

- PA OCA supports the status quo. Large loads that bring their own capacity have a strong financial incentive to have their offers clear in the capacity markets. That being said, PA OCA will further consider offer requirements as proposed by the MD OPC.

#56 Transparency

- PA OCA supports PJM's proposal as it supports efforts to increase transparency to expedite the generation interconnection queue, which PJM believes that its proposal will do.

IV. The Legal Framework

Because Pennsylvania consumers would be among those who suffer the effects of unjust, unreasonable, or unduly preferential rates, rules, and practices within PJM, the PA OCA has a strong interest in ensuring that the CIFP-LLA process and outcomes of this process align with federal law.⁵ FERC oversees all prices for those interstate transactions and all rules and practices affecting such prices," except those reserved to the states.⁶ FERC must ensure just and reasonable and not unduly preferential rates, rules, and practices at the wholesale level.⁷ FERC regulates PJM's Open Access Transmission Tariff, "which sets forth procedures governing PJM's capacity auctions."⁸ PJM facilitates the CIFP-LLA process within this legal framework, and the results of the CIFP must be just and reasonable and not unduly preferential.⁹

⁵ See 71 P.S. § 309-4 (outlining powers of Consumer Advocate to represent Pennsylvania consumers in FERC proceedings and federal courts).

⁶ *FERC v. Elec. Power Supply Ass'n*, 577 U.S. 260, 266–267 (2016) (first citing 16 U.S.C. § 824(b)(1); and then citing *New York v. FERC*, 535 U.S. 1, 17 (2002)). The United States Department of Energy has recently issued an Advanced Notice of Proposed Rulemaking (ANOPR) to FERC that proposes principles that appear to be aimed at regulating the retail interconnection of large loads. U.S. Secretary of Energy, Letter Communicating Advanced Notice of Proposed Rulemaking on Large Load Interconnection (Oct. 23, 2025), <https://www.energy.gov/sites/default/files/2025-10/403%20Large%20Loads%20Letter.pdf>. This ANOPR creates jurisdictional questions about the relationship between state governments that hold the power to regulate retail interconnections, and the federal government, which is trying to assert that power. Diana DiGangi, *In 'Unusual' Move, DOE Proposes rule to Expand FERC's Authority Over Large Loads*, UTILITY DIVE (Oct. 24, 2025), <https://www.utilitydive.com/news/in-unusual-move-doe-proposes-rule-to-expand-fercs-authority-over-large/803717/> (quoting former FERC Chairman Mark Christie, who questioned whether the ANOPR constitutes "an unprecedented expansion of federal control and intrusion on the states' historic retail authority"). "Congress explicitly reserved oversight of several important parts of the electricity sector for exclusive regulation by the states, including retail sales of electricity and the facilities that generate electric power." Matthew R. Christiansen & Joshua C. Macey, *Long Live the Federal Power Act's Bright Line*, 134 HARV. L. REV. 1360, 1363 (2021) (first citing *Miss. Power & Light Co. v. Mississippi ex rel. Moore*, 487 U.S. 354, 374 (1988); then citing *FPC v. S. Cal. Edison Co.*, 376 U.S. 205, 215–216 (1964); and then citing PHILLIP F. SCHEWE, *THE GRID: A JOURNEY THROUGH THE HEART OF OUR ELECTRIFIED WORLD* 1 (2007)).

⁷ *Elec. Power Supply Ass'n*, 577 U.S. at 266 (citing 16 U.S.C. § 824d(a)); *PJM Power Providers Grp.*, 96 F.4th at 394 (citing 16 U.S.C. § 824d(a)-(b)).

⁸ *PJM Power Providers Grp.*, 96 F.4th at 394–395.

⁹ *Elec. Power Supply Ass'n*, 577 U.S. at 266; *PJM Power Providers Grp.*, 96 F.4th at 394.