

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

PJM Interconnection, L.L.C.

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Docket No. ER26-695-000

LIMITED ANSWER OF PJM INTERCONNECTION, L.L.C.

PJM Interconnection, L.L.C. submits this answer to the Comments in Support filed by PPL Electric Utilities (“PPL EU”)¹ for the limited purpose of clarifying the issues in this proceeding.² For the reasons set forth more fully in PJM’s December 8, 2025 filing,³ PJM respectfully requests that the Commission accept the PPL EU DEA, effective November 7, 2025.

I. LIMITED ANSWER

PPL EU expresses its support for PJM’s December 2025 Filing,⁴ while also raising concerns about what it perceives to be “tension” between the *pro forma* Designated Entity

¹ *PJM Interconnection, L.L.C.*, PPL Electric Utilities Corporation Comments in Support, Docket No. ER26-695-000 (Dec. 19, 2025) (“PPL EU’s December 2025 Comments”).

² PJM submits this limited answer as a matter of right under Rule 213(a)(3) of the Federal Energy Regulatory Commission’s (“Commission” or “FERC”) rules and regulations (18 C.F.R. § 385.213(a)(3)), which only requires Commission authorization to file an answer in response to a “protest, an answer, a motion for oral argument, or a request for rehearing.” *Id.* at § 385.213(a)(2). To the extent necessary, PJM moves for leave to file this answer to the PPL EU’s December 2025 Comments. 18 C.F.R. §§ 385.212 & 213; *Cal. Indep. Sys. Operator Corp.*, 139 FERC ¶ 61,181, at PP 8, 10 (2012) (permitting answer to comments in support of tariff revisions “because it has provided information that assisted [the Commission] in our decision-making process”); *ISO-New England Inc.*, 111 FERC ¶ 61,328, at P 6 (2005) (same).

³ *PJM Interconnection, L.L.C.*, PPL Electric Utilities Corporation (PJM RTEP Projects b3800.1, b3800.3, b3800.53, and b3800.54), PJM 2022 Window 3 Recommended Solutions; Service Agreement No. 7744, Docket No. ER26-695-000 (Dec. 8, 2025) (“PJM’s December 2025 Filing”). In the PJM’s December 2025 Filing, PJM submitted a Designated Entity Agreement (“DEA”) between PJM and PPL EU which includes the terms and conditions necessary to accommodate the designation of construction responsibility of certain transmission facilities to PPL EU, i.e., baseline upgrade numbers b3800.1, b3800.3, b3800.53, and b3800.54 (the “Chanceford Project”).

⁴ PPL EU’s December 2025 Comments at 1. *See also id.* at 5 (requesting that “the Commission accept the [PPL EU] DEA with an effective date of November 7, 2025, as requested in PJM’s filing”).

Agreement⁵ and the Consolidated Transmission Owners Agreement (“CTOA”).⁶ Specifically, PPL EU states that it only executed the PPL EU DEA as an “accommodation to PJM with the expectation that PJM will be making a filing in 2026 to amend the *pro forma* DEA to conform it to the CTOA...,”⁷ and that it reserves its rights with respect to whether the currently-effective *pro forma* DEA “is properly applied to incumbent Transmission Owners already interconnected to the PJM Transmission System.”⁸

While PJM appreciates PPL EU’s support of the PPL EU DEA and its request that the Commission accept the agreement, PJM respectfully requests that the Commission disregard the remainder of the statements made in PPL EU’s December 2025 Comments as outside the scope of this proceeding. The issue before the Commission in this proceeding is whether the PPL EU DEA – including the PPL EU-specific cost commitment language, which PJM explained and justified in PJM’s December 2025 Filing⁹ – is just and reasonable (and PJM has already demonstrated in PJM’s December 2025 Filing that it is).

PPL EU’s arguments should be disregarded for several reasons. First, PPL EU’s reservation of rights as to whether the currently-effective *pro forma* DEA applies to incumbent Transmission Owners interconnected to the PJM Transmission System is beside the point. The Commission recently confirmed, in multiple orders, that the requirement to execute a DEA applies to incumbent Transmission Owners in all but specifically-

⁵ See PJM Open Access Transmission Tariff, Attachment KK (“*pro forma* DEA”).

⁶ See PPL EU’s December 2025 Comments at 3-5.

⁷ PPL EU’s December 2025 Comments at 4.

⁸ PPL EU’s December 2025 Comments at 4.

⁹ See PJM’s December 2025 Filing at 9-15.

identified, limited circumstances.¹⁰ Those narrow circumstances do not apply here and, therefore, PPL EU and PJM properly entered into the PPL EU DEA.

Second, PPL EU's description of what it perceives to be "tension" between the *pro forma* DEA and the CTOA merely supports opening a stakeholder process to examine possible changes to the *pro forma* DEA, and in no way undermines that the PPL EU DEA is just and reasonable.¹¹

Third, PPL EU's statement that its agreement to execute the PPL EU DEA is an "accommodation" to PJM is a misunderstanding of both Commission precedent and the PJM Operating Agreement, which each require entities that have been selected to develop, own, construct or finance competitive transmission projects to execute a DEA.¹² The currently-effective *pro forma* DEA, with which the PPL EU DEA largely conforms, is the agreement that Designated Entities are required to execute unless and until a replacement *pro forma* DEA is accepted by the Commission.¹³ As such, PPL EU is complying with its Commission-required obligations, not benevolently accommodating PJM.

¹⁰ *PJM Interconnection, L.L.C.*, 148 FERC ¶ 61,187, at P 47 (2014) (stating the DEA and "all of its terms and conditions apply in full to all Designated Entities, whether an incumbent transmission owner or a nonincumbent transmission developer, that are designated an RTEP project"); *PJM Interconnection, L.L.C.*, 164 FERC ¶ 61,021, at PP 29-33 (2018) (rejecting PJM's revision to remove the requirement that incumbent transmission owners execute a DEA); *Am. Mun. Power, Inc. v. PJM Interconnection, L.L.C.*, 188 FERC ¶ 61,055, at PP 72, 80, 95-108, 108-110 (2024) (explaining the two "specific types of projects" that do not require PJM to execute a DEA and that incumbent transmission owners must execute: "partial" DEAs (DEAs without security-related terms and conditions) and DEAs for all other Projects that the Operating Agreement requires DEAs), *order on reh'g*, 190 FERC ¶ 61,173, at PP 23, 30-33, 37-38, 46-49 (2025).

¹¹ *PJM Interconnection, L.L.C.*, 164 FERC ¶ 61,021, at PP 33-35 (finding "the terms and conditions of the Consolidated Transmission Owners Agreement are less stringent than those of the Designated Entity Agreement" and rejecting PJM's proposal to not require incumbent transmission owners to sign a DEA).

¹² *PJM Interconnection, L.L.C.*, 148 FERC ¶ 61,187, at P 4 (accepting PJM's *pro forma* DEA and explaining that PJM revised its Operating Agreement to "require" a Designated Entity to execute a DEA).

¹³ See Operating Agreement, Schedule 6, section 1.5.8(j) (requiring Designated Entities to execute a Designated Entity Agreement); see also *PJM Interconnection, L.L.C.*, 148 FERC ¶ 61,187, at P 4 (accepting PJM's *pro forma* DEA and explaining that PJM revised its Operating Agreement to "require" a Designated Entity to execute a DEA); *Am. Mun. Power, Inc. v. PJM Interconnection, L.L.C.*, 188 FERC ¶ 61,055, at P 67 ("[W]here the governing Operating Agreement provision explicitly uses the term 'Designated Entity,'

Although PJM does not agree that the Commission directed PJM to amend the *pro forma* DEA to conform it to the CTOA,¹⁴ PJM acknowledges that the Commission previously stated that if PJM or any other parties believe that there are issues with the current *pro forma* DEA that would warrant revisions, PJM or any such other parties should propose revisions to the *pro forma* DEA.¹⁵ PJM is amenable to working with stakeholders to identify any necessary changes to the *pro forma* DEA. However, in the meantime, the Commission should not condition its acceptance of the PPL EU DEA, as PJM has not committed to unilaterally propose revisions to the *pro forma* DEA absent such stakeholder discussions.

Again, the Commission does not need to consider any of the extraneous issues set forth in PPL EU's December 2025 Comments in order to reach a determination regarding whether the PPL EU DEA should be accepted. PJM respectfully requests that the Commission limit its review in this proceeding to the issues properly before it, and find that the PPL EU DEA, inclusive of PPL EU's cost commitment applicable to the Chanceford Project, is just and reasonable and should be accepted.

Schedule 6 also prescribes a detailed process that requires PJM to notify the Designated Entity of its designation and then requires PJM and the Designated Entity to execute a Designated Entity Agreement involving the provision of security.”), *order on reh'g*, 190 FERC ¶ 61,173, at P 47 (stating “the explicit language in section 1.5.8(j) [of Operating Agreement, Schedule 6] require[es] all Designated Entities to execute Designated Entity Agreements”).

¹⁴ See PPL EU's December 2025 Comments at 4 (“PJM is currently unwilling to exercise its Section 205 filing rights over Tariff Terms and Conditions to amend the *pro forma* DEA to conform it to the CTOA as suggested in the First Energy [sic] DEA Orders.” (citing *PJM Interconnection, L.L.C.*, 188 FERC ¶ 61,206 (2024) (“FirstEnergy DEA Order”))).

¹⁵ See FirstEnergy DEA Order at P 42.

II. CONCLUSION

For the reasons set forth above and more fully in PJM's December 2025 Filing, PJM respectfully requests that the Commission accept the PPL EU DEA, effective November 7, 2025.

Respectfully submitted,

/s/ Ryan J. Collins

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Dated: December 23, 2025

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, DC, this 23rd day of December 2025.

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