

195 FERC ¶ 61,034
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Laura V. Swett, Chairman;
David Rosner, Lindsay S. See,
Judy W. Chang, and David LaCerte.

Murphy Solar, LLC
Bells Solar, LLC

Docket No. ER26-1020-000

ORDER DENYING WAIVER REQUEST

(Issued April 16, 2026)

1. On January 9, 2026, pursuant to Rules 207(a)(5) and 212 of the Commission's Rules of Practice and Procedure,¹ SunEnergy1, LLC and SE1 Devco, LLC (collectively, SE1 Parties) on behalf of their affiliates Murphy Solar, LLC and Bells Solar, LLC (collectively, Murphy and Bells) submitted a request for waiver of section 301(A)(3)(b)(iii) of the PJM Interconnection, L.L.C. (PJM) Open Access Transmission Tariff (Tariff) to permit PJM to return Murphy and Bells' Readiness Deposits that would otherwise be non-refundable. As discussed below, we deny SE1 Parties' waiver request.

I. Background

2. Part VII of the Tariff sets forth the procedures and other terms governing PJM's Transition Cycles, including: studies and processing of New Service Requests within the Transition Cycle; the nature and timing of the agreements required within the Transition Cycle in connection with the studies and construction of required facilities; and the terms and conditions relating to the rights available to project developers and eligible customers in the Transition Cycle.² Section 301(A)(3) of the Tariff describes PJM's required Study Deposits and Readiness Deposits.³ Section 301(A)(3)(b)(iii) of the Tariff provides how Readiness Deposit refunds will be handled. The Tariff states that, if all Cycle New

¹ 18 C.F.R. §§ 385.207(a)(5), 385.212 (2025).

² PJM, Intra-PJM Tariffs, OATT, pt. VII (Transition Cycle Generation Interconnection Proc) (0.0.0). Capitalized terms used but not otherwise defined in this order have the meanings ascribed to them in the Tariff.

³ *Id.*, subpt. A (1.0.0), § 301(A)(3) (Required Study Deposits and Readiness Deposits).

Service Requests have either entered into final agreements and the Decision Point III Site Control requirements have been met or have been withdrawn, Readiness Deposit funds will be applied to underfunded network upgrades on a pro-rata share of funds missing from the Phase III cost allocation.⁴ If all underfunded network upgrades are made whole relative to the withdrawn New Service Requests, remaining Readiness Deposits will be refunded on a pro-rata share.⁵

3. SE1 Parties state that Murphy and Bells are two separate proposed 126 MW solar generating facilities under development by SE1 Devco, LLC in Hertford, North Carolina, interconnecting to the Dominion Energy, Inc. transmission system at a new interconnection substation that would serve as a shared interconnection point for both projects.⁶ SE1 Parties state that Murphy and Bells entered the PJM interconnection queue on December 19, 2019, and May 1, 2020, respectively, were designated as PJM Queue IDs AF2-046 and AG1-008, respectively, and were included in Transition Cluster 1 pursuant to the Tariff.

4. SE1 Parties state that Murphy and Bells have committed \$44,075,578.00 in commercial Readiness Deposits, including Readiness Deposit No. 1 (at the time of queue entry), Readiness Deposit No. 2 (Decision Point 1 – June 11, 2024), and Readiness Deposit No. 3 (Decision Point 2 – February 12, 2025).⁷ SE1 Parties contend that the withdrawal penalties adopted pursuant to PJM’s reforms and Order No. 2023⁸ are implemented by way of forfeiture of the project developer’s Readiness Deposits, which become increasingly “at-risk” as the interconnection process continues through the Cycle. SE1 Parties state that, for Transition Cluster 1, Readiness Deposits have been fully at-risk since the completion of the Decision Point 2 deficiency review, which concluded on January 21, 2025.⁹ SE1 Parties state that, as of September 22, 2025, PJM’s Transition Cluster 1 interconnection cohort (which includes Murphy and Bells) is at Decision Point

⁴ *Id.* § 301(A)(3)(b)(iii).

⁵ *Id.*

⁶ Waiver Request at 4.

⁷ *Id.* at 5.

⁸ *Improvements to Generator Interconnection Procs. & Agreements*, Order No. 2023, 184 FERC ¶ 61,054, *order on reh’g*, 185 FERC ¶ 61,063 (2023), *order on reh’g*, Order No. 2023-A, 186 FERC ¶ 61,199, *errata notice*, 188 FERC ¶ 61,134 (2024).

⁹ Waiver Request at 5.

3. SE1 Parties argue that, accordingly, Murphy and Bells could lose the entirety of these Readiness Deposits.

5. SE1 Parties claim that recent legislative and executive actions have fundamentally altered the economic and regulatory conditions for renewable energy projects by, among other things, drastically shortening and narrowing eligibility for tax credits for wind and solar technology.¹⁰ SE1 Parties contend that, because of transmission owner construction timelines for necessary network upgrades, it is impossible for either project to achieve commercial operation prior to the newly scheduled expiration of the federal tax credits mandated by recent executive action.¹¹ SE1 Parties state that, since the tax credits are vital to the economics of both projects, this change in circumstances required withdrawal from PJM's interconnection queue. SE1 Parties also claim that recent legislative and executive actions have upset the settled expectations of Murphy and Bells and resulted in sudden, unexpected, extreme, and insurmountable challenges for development of the projects.¹²

II. Waiver Request

6. SE1 Parties request waiver of section 301(A)(3)(b)(iii) of the Tariff to permit PJM to refund Murphy and Bells' Readiness Deposits.¹³ SE1 Parties argue that the waiver request satisfies the Commission's criteria for granting waiver.¹⁴

7. First, SE1 Parties argue that Murphy and Bells acted in good faith throughout the interconnection process and in their development efforts.¹⁵ SE1 Parties state that both Murphy and Bells met all requirements of the Federal Power Act, Commission rules and regulations, and the Tariff. SE1 Parties contend that, in the absence of unexpected adverse legislative and regulatory actions, both projects would be economic, would have signed generator interconnection agreements, and would be proceeding to commercial operation. SE1 Parties state that they sought return of the Readiness Deposits through

¹⁰ *Id.* at 2.

¹¹ *Id.* at 3.

¹² *Id.* at 2-3.

¹³ *Id.* at 3.

¹⁴ *Id.* at 9.

¹⁵ *Id.* at 10.

dispute resolution under section 12 of the Tariff, but dispute resolution was not successful.

8. Second, SE1 Parties state that the requested waiver is limited in scope because it is a one-time request and no other waiver or tariff relief will be required.¹⁶ SE1 Parties also contend that the requested waiver is limited because Murphy and Bells have withdrawn from the interconnection queue and were not included in the retool study; therefore, returning the Readiness Deposits will have no impact on the nature or timing of the cluster studies or any other studies performed by PJM.¹⁷ SE1 Parties assert that, while Readiness Deposits for withdrawn projects may be used to offset underfunded network upgrades, no Developer relied, or could have relied, on any readiness deposit in deciding whether to move forward with its project. SE1 Parties argue that, while Readiness Deposits are to be utilized for underfunded network upgrades, the purpose cannot be to “enrich” remaining developers.¹⁸ SE1 Parties state that potential forfeiture of Readiness Deposits is a financial risk imposed on the developer to ensure that only viable projects remain in the queue, and the rationale for forfeiture of Readiness Deposits is based on a foundation that no longer exists.

9. Third, SE1 Parties contend that the requested waiver will remedy a concrete problem. SE1 Parties state that, due to the unexpected disruption of its expectations, Murphy and Bells are at risk of losing approximately \$44.1 million in Readiness Deposits.¹⁹ SE1 Parties argue that tariff-based penalties should be sufficient to deter unwanted conduct, but cannot be “exorbitant, exploitative, or overly broad.”²⁰ SE1 Parties argue that it is unjust and unreasonable for the Commission to maintain Readiness Deposits under these circumstances. SE1 Parties assert that because the concrete problem is the unjust and unreasonable forfeiture of Murphy’s and Bells’ Readiness Deposits, the requested waiver will completely resolve the problem by enabling PJM to refund the same.

10. Fourth, SE1 Parties state that the waiver does not have undesirable consequences, such as harming third parties.²¹ SE1 Parties argue that returning the Readiness Deposits

¹⁶ *Id.* at 10-11.

¹⁷ *Id.* at 11.

¹⁸ *Id.*

¹⁹ *Id.* at 11-12.

²⁰ *Id.* at 12.

²¹ *Id.*

will enable the SE1 Parties to put those funds toward the development of other projects that will provide capacity in the PJM region. SE1 Parties assert that if retained, the deposits would be spread across all underfunded network upgrades identified in PJM's retool study. SE1 Parties contend that there is no harm to any developer that might receive a forfeited readiness deposit, and the intent of a penalty, such as the forfeiture of a deposit, is not to unjustly "enrich" another party.²² SE1 Parties state that no third parties could possibly have a reliance interest in these monies because: (1) final network upgrade costs and allocations will not be known until the final retool study is completed; and (2) no party could have known that Bells and Murphy (or any other developer) would ultimately withdraw from the interconnection queue.²³ SE1 Parties argue that the forfeiture of a readiness deposit is a penalty on the posting entity, the prospect of which is designed to serve as means to reduce the number of speculative or non-ready projects in the Cycle.²⁴ SE1 Parties contend that the Commission has held that "it is the payment by the customer of a penalty that deters inappropriate conduct," not the subsequent disposition of the penalty monies.²⁵ SE1 Parties state that because the fundamental statutory and regulatory scheme has materially changed, this penalty does not serve its intended purpose.

III. Notice and Responsive Pleadings

11. Notice of SE1 Parties' filing was published in the *Federal Register*, 91 Fed. Reg. 2123 (Jan. 16, 2026), with interventions and protests due on or before January 30, 2026. Monitoring Analytics, LLC, acting in its capacity as the Independent Market Monitor for PJM, Dominion Energy Services, Inc., and PJM filed timely motions to intervene. PJM filed a protest. Murphy and Bells filed an answer to PJM's protest. PJM filed an answer to Murphy and Bells' answer.

A. PJM's Protest

12. PJM argues that the Commission should deny the waiver request. PJM states that SE1 Parties' generalized arguments that the basis for withdrawal penalty requirements in the Tariff and Order Nos. 2023 and 2023-A is no longer valid due to recent executive and legislative actions are baseless and irrelevant to the Commission's analysis of SE1

²² *Id.* (citing *Entergy Servs. Inc.*, 109 FERC ¶ 61,095, at P 44 (2004)).

²³ *Id.* at 12-13.

²⁴ *Id.* at 13.

²⁵ *Id.* (citing *Entergy Servs., Inc.*, 109 FERC ¶ 61,095 at P 65).

Parties' waiver request.²⁶ PJM argues that unless and until revised by the Commission, the Tariff and Order Nos. 2023 and 2023-A are the filed rate which must be applied, no matter what the equities may be.

13. PJM states that the waiver request is not limited in scope because, despite SE1 Parties' assertions to the contrary, it will affect other project developers and the overall administration of PJM's interconnection queue.²⁷ PJM asserts that if the Commission grants this waiver request and directs PJM to refund the Murphy and Bells Readiness Deposits, these funds will not go towards underfunded network upgrades caused by the withdrawal of Murphy and Bells from the interconnection queue. Instead, other project developers will be forced to pay for those network upgrades and disrupt the orderly administration of PJM's interconnection queue. PJM argues that there does not appear to be any limiting principle that is unique to the circumstances articulated by SE1 Parties to prevent any other project developer from arguing that Readiness Deposits/withdrawal penalties are unjust and unreasonable.²⁸

14. Moreover, PJM avers that the requested waiver will harm third parties. Specifically, PJM contends that the waiver would directly harm the project developers that remain in Transition Cycle 1 because they would be required to pay for the network upgrade costs that otherwise would have been borne by Murphy and Bells. PJM states that the Commission has found that a withdrawal that leaves network upgrades underfunded can reasonably be considered a withdrawal that has a material impact, specifically a cost impact, for equal- or lower-queued interconnection requests.²⁹ PJM asserts that, contrary to SE1 Parties' assertions, the remaining project developers in Transition Cycle 1 are not being enriched by the forfeiture of Readiness Deposits; rather, they are being protected, consistent with PJM's existing Tariff procedures. PJM contends that more broadly, granting waiver would have the undesirable consequence of undermining PJM's entire interconnection process.³⁰ PJM argues that if it were permissible for interconnection customers to receive a full refund of their Readiness Deposits every time they alleged unforeseen government actions led them to withdraw from the interconnection queue, this would cause tremendous damage to the orderly

²⁶ PJM Protest at 4.

²⁷ *Id.*

²⁸ *Id.* at 5.

²⁹ *Id.* at 6-7 (citing *PJM Interconnection, L.L.C.*, 194 FERC ¶ 61,053, at P 23 (2026)).

³⁰ *Id.* at 7.

administration of the interconnection queue and undermine the confidence that interconnection customers need to have in its predictable functioning.

15. PJM states that the waiver request will not address a concrete problem. PJM explains that the Commission has consistently found that the loss of security or other financial securities posted in the interconnection process is not a concrete problem that warrants waiver.³¹ PJM contends that SE1 Parties have not demonstrated that being subject to PJM's readiness deposit forfeiture requirements due to "unforeseeable legislative and executive actions" affecting their ability to obtain tax credits is a concrete problem that warrants granting waiver of financial security forfeiture requirements.³² In particular, PJM relies on *North Floating*, where the Commission denied a similar waiver request by finding that the applicant had "not demonstrated that an interconnection customer having to be subject to the Tariff's financial security forfeiture requirements as a result of unforeseen government actions affecting its ability to obtain permitting, is a concrete problem that warrants granting waiver of financial security forfeiture requirements."³³

B. SE1 Parties' Answer

16. SE1 Parties assert that, contrary to PJM's arguments, the requested waiver is limited in scope and will not disrupt the orderly administration of the queue or harm third parties.³⁴ SE1 Parties state that PJM's argument that the effects of granting the waiver will not be limited is unsupported because project developers do not know whether or if there would be any terminating projects that could create creditable dollars toward reducing overall network upgrade costs and could not rely on any level of potential creditable costs.³⁵ SE1 Parties further state that the limiting principle to the waiver request is that the filing party must show that its request and individual circumstances satisfy the Commission's four waiver criteria, and SE1 Parties sufficiently explained how

³¹ *Id.* (citing *Cal. N. Floating LLC*, 193 FERC ¶ 61,063 (2025) (*North Floating*); *Edwards Calverton Battery Storage, LLC*, 186 FERC ¶ 61,090, at P 19 (2024) (*Edwards Calverton*); *1000 Mile Solar, LLC*, 181 FERC ¶ 61,108, at P 22 (2022) (*1000 Mile Solar*); *Invenergy Wind Dev. LLC*, 177 FERC ¶ 61,131, at P 31 (2021) (*Invenergy Wind*), *order on reh'g*, 178 FERC ¶ 61,169 (2022)).

³² *Id.* at 8.

³³ *Id.* (quoting *North Floating*, 93 FERC ¶ 61,063 at P 13).

³⁴ SE1 Parties Answer at 2.

³⁵ *Id.* at 3.

the tax credits were integral to Murphy's and Bells' economics, and how the overall circumstances satisfy the Commission's standard for waiver.

17. SE1 Parties assert that PJM cites cases that are inapposite and distinguishable from the present case to argue that the potential forfeiture of Murphy's and Bells' Readiness Deposits is not a concrete problem.³⁶ SE1 Parties state that *North Floating* is distinguishable because the applicant in that case sought waiver when unexpected government actions interfered with its ability to obtain permitting to which the party was not entitled. In contrast, SE1 Parties argue that there was no question they would have been entitled to the tax credits, which "have objective criteria set forth by statute and were mandated to remain available at least through the end of 2032."³⁷ SE1 Parties state that *North Floating* would have been analogous if government action took away a necessary permit which had been issued or North Floating was certain to receive, but that was not the case. SE1 Parties assert that *Edwards Calverton* is unpersuasive for the same reason.³⁸

18. SE1 Parties assert that *1000 Mile Solar* and *Invenergy Wind* are also distinguishable. SE1 Parties contend that the Commission's holdings in these cases were not that the potential loss of security could never constitute a concrete problem, but rather that the applicants did not demonstrate that "being forced to make decisions based on comprehensive but imperfect information provided by [Southwest Power Pool, Inc. (SPP)] was a concrete problem that waiver would solve."³⁹ SE1 Parties state that *Lookout Solar Park I, LLC* is comparable because the Commission determined that the potential posting and loss of security was a concrete problem that justified waiver.⁴⁰

19. SE1 Parties state that the common thread through all the cited cases is "that the question of whether a potential loss of financial security is a concrete problem . . . turns on whether the circumstances creating the potential loss are unjust and unreasonable."⁴¹ SE1 Parties assert that permit delays and local opposition are ordinary risks of project

³⁶ *Id.*

³⁷ *Id.* at 3-4 (citing *North Floating*, 193 FERC ¶ 61,063).

³⁸ *Id.* at 4 (citing *Edwards Calverton*, 186 FERC ¶ 61,090 at PP 6-7).

³⁹ *Id.* at 4-5 (citing *1000 Mile Solar*, 181 FERC ¶ 61,108 at P 22; *Invenergy Wind*, 177 FERC ¶ 61,131 at P 31).

⁴⁰ *Id.* at 5 (citing *Lookout Solar Park I, LLC*, 176 FERC ¶ 61,100, at PP 22-23 (2021) (*Lookout Solar*)).

⁴¹ *Id.*

development, but the circumstances of the SE1 Parties are fundamentally different because the rights of the SE1 Parties were “firm and enshrined in duly enacted statute,” making the circumstances leading to the potential loss of the SE1 Parties’ readiness deposit unprecedented and unforeseeable. SE1 Parties assert that these circumstances would make it unjust and unreasonable for Murphy and Bells to lose the Readiness Deposits, and this potential forfeiture is a concrete problem that waiver will solve.

C. PJM’s Answer

20. PJM argues that the requested waiver is not limited in scope because the change in government actions regarding tax credits is not unique to SE1 Parties.⁴² PJM contends that granting waiver would undermine the entire premise of PJM’s collection of Readiness Deposits and collapse its “first ready, first served” construct for processing interconnection queues. PJM also states that granting this waiver request would harm third parties.⁴³ PJM asserts that following the first retool study, which did not include the Murphy and Bells projects due to their withdrawal, 20 upgrades to which Murphy and Bells contributed still remain and must be funded. PJM contends that if waiver is granted, project developers that remain in Transition Cluster 1 will bear both their own and Murphy and Bells’ share of the costs of these upgrades, which amounts to tens of millions of dollars shifting to remaining Transition Cluster 1 projects.

21. Further, PJM argues that loss of financial security is not a concrete problem that warrants waiver, and SE1 Parties’ attempt to distinguish *North Floating* and other precedent is irrelevant for the Commission’s waiver analysis.⁴⁴ PJM contends that SE1 Parties are incorrect that *Lookout Solar* is similar.⁴⁵ PJM states that, in *Lookout Solar*, it was undisputed that SPP provided the developer with an incorrect financial security amount and that SPP’s communications were inconsistent and contributed to the applicant’s queue position being withdrawn. PJM contends that there are no such accusations here, particularly because PJM’s actions were entirely consistent with its Tariff, and, therefore, *Lookout Solar* is distinguishable.

⁴² PJM Answer at 2.

⁴³ *Id.* at 4.

⁴⁴ *Id.*

⁴⁵ *Id.* at 6.

IV. Discussion

A. Procedural Matters

22. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2025), the timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding.

23. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2025), prohibits an answer to a protest or answer unless otherwise ordered by the decisional authority. We accept SE1 Parties' and PJM's answers because they have provided information that assisted us in our decision-making process.

B. Substantive Matters

24. We deny SE1 Parties' request for waiver of section 301(A)(3)(b)(iii) of the Tariff to permit PJM to return Murphy and Bells' Readiness Deposits that would otherwise be non-refundable. The Commission has granted waiver of tariff provisions where: (1) the applicant acted in good faith; (2) the waiver is of limited scope; (3) the waiver addresses a concrete problem; and (4) the waiver does not have undesirable consequences, such as harming third parties.⁴⁶ We find that the circumstances of SE1 Parties' waiver request do not satisfy these criteria.

25. Specifically, we find that granting waiver would have undesirable consequences, such as harm to third parties. SE1 Parties ask the Commission to waive section 301(A)(3)(b)(iii) of the Tariff to allow PJM to refund approximately \$44.1 million in Readiness Deposits posted for the Murphy and Bells projects. Doing so would impose material, quantifiable harm by shifting millions of dollars in costs to other interconnection customers in Transition Cycle 1. This is exactly the type of harm that PJM's Readiness Deposit mechanism is designed to prevent.

26. Readiness Deposits, along with withdrawal penalties and other financial requirements, mitigate risks to lower-queued interconnection customers when an interconnection request is withdrawn.⁴⁷ They protect interconnection customers from study backlogs, changes to

⁴⁶ See, e.g., *Citizens Sunrise Transmission LLC*, 171 FERC ¶ 61,106, at P 10 (2020); *Midcontinent Indep. Sys. Operator, Inc.*, 154 FERC ¶ 61,059, at P 13 (2016).

⁴⁷ See, e.g., *North Floating*, 193 FERC ¶ 61,063 at P 13 (citing Order No. 2023, 184 FERC ¶ 61,054 at PP 691, 781-782); *Invenergy Cal. Offshore LLC*, 193 FERC ¶ 61,062, at P 18 (2025); *Dominion Energy Servs, Inc.*, 192 FERC ¶ 61,214, at P 20 (2025), *order on reh'g*, 194 FERC ¶ 61,090, at P 22 (2026); *Keota Solar, LLC*,

network upgrade cost estimates, and interconnection delays. Here, the Tariff establishes that, when projects withdraw, forfeited Readiness Deposits are applied to underfunded network upgrades within the Transition Cycle to mitigate cost impacts on remaining customers.⁴⁸ If those deposits are refunded, remaining interconnection customers would be required to fund the shortfall created by Murphy and Bells' withdrawal.⁴⁹ PJM identifies the magnitude of the harm caused by granting the waiver, explaining that, following the Retool 1 study (which excluded the withdrawn Murphy and Bells projects) 20 network upgrades to which those projects had previously contributed still remain and must be funded. According to PJM, this amounts to "tens of millions of dollars shifted to remaining [Transition Cycle 1] projects."⁵⁰

27. The fact that SE1 Parties must forfeit Readiness Deposits in accordance with the Tariff—a financial risk that SE1 Parties were aware of when they submitted a new service request—is neither "exorbitant" nor "exploitative," as SE1 Parties contend. Nor do these penalties "unjustly enrich" other parties. To the contrary, the approximately \$44.1 million in Readiness Deposits submitted by Murphy and Bells shield other interconnection customers from additional costs resulting from their decision to withdraw from the queue.⁵¹ Accordingly, we deny SE1 Parties' requested waiver.⁵²

175 FERC ¶ 61,129, at P 37 (2021); *S. Shore Energy, LLC*, 166 FERC ¶ 61,221, at P 25 (2019).

⁴⁸ PJM, Intra-PJM Tariffs, OATT, pt. VII subpt. A, § 301(A)(3)(b)(iii).

⁴⁹ PJM Protest at 7-8; PJM Answer at 4.

⁵⁰ PJM Answer at 4.

⁵¹ SE1 Parties' reliance on *Entergy* regarding the "purpose" of penalties is, therefore, misplaced.

⁵² Because we find that SE1 Parties fail to satisfy one of the four waiver criteria, we need not address the remaining criteria in denying waiver. See *Prairie Creek Wind, LLC*, 188 FERC ¶ 61,099, at P 24 (2024); *Cleco Cajun LLC*, 183 FERC ¶ 61,211, at P 35 (2023) (citing *CPV Shore, LLC*, 168 FERC ¶ 61,048, at P 22 (2019)).

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The Commission orders:

SE1 Parties' waiver request is hereby denied, as discussed in the body of this order.

By the Commission. Chairman Swett and Commissioner See are concurring with a joint separate statement attached.

(S E A L)

Carlos D. Clay,
Deputy Secretary.

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Murphy Solar, LLC Bells Solar, LLC	Docket No.	ER26-1020-000
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(Issued April 16, 2026)

SWETT, Chairman, and SEE, Commissioner, *concurring*:

1. Today's order denies the request of Murphy Solar, LLC and Bells Solar, LLC to waive PJM Tariff section 301(A)(3)(b)(iii). We concur because the request falls far short of meeting the Commission's criteria for granting waiver. We write separately to underscore a central point: waivers are a limited regulatory tool intended to protect the public interest, not a pressure valve to alleviate discomfort with the commercial consequences of complying with a filed tariff.

2. The Commission considers waivers on a case-by-case basis where: (1) the applicant acted in good faith; (2) the waiver is of limited scope; (3) the waiver addresses a concrete problem; and (4) the waiver does not have undesirable consequences, such as harming third parties. The Commission must adhere to these principles to maintain a stable, predictable environment that supports the scale of energy investment we need today.

3. Petitioners seek to turn the principles on their head. They would elevate a developer's financial interest in a particular project above the broader public interest, undermining the foundational premise of readiness deposits, shifting millions of dollars in costs to other interconnection customers, and disrupting orderly interconnection queue administration.

4. Petitioners' story is a familiar one. A developer submits a new service request and readiness deposits as it proceeds through interconnection study phases. Faced with evolving market conditions that disrupt a project's economic viability (in this case, disappearing Inflation Reduction Act credits), the developer withdraws from the queue, forfeiting the deposits. At such point, the deposits protect other interconnection customers by offsetting the cost of underfunded network upgrades that would otherwise then unfairly fall upon them.

5. This is the Tariff working exactly as designed and as the Commission accepted. Readiness deposits assign risk to project developers and allow PJM to more quickly and efficiently process new service requests into finalized interconnection agreements. Yet

petitioners seek waiver to evade these Tariff requirements and the real world consequences that everyone must face under such circumstances.

6. Today's order correctly pinpoints the undesirable consequences that granting this waiver would cause—tens of millions of dollars in costs shifted to project developers that remain in the queue to fund twenty remaining upgrades. Cost shifts of that magnitude in the final stages of the interconnection process cause direct financial harm to other interconnection customers and could make remaining projects less viable, creating an untenable cascade of financial consequences.

7. Developers certainly face challenges in building much-needed energy infrastructure projects. But the Commission cannot convert every market shift into a waiver-worthy event without effectively rewriting tariffs on an ad hoc basis. Regulatory stability is a foundational pillar of well-functioning markets that the Commission must foster and preserve. Granting this waiver would undermine those foundational market dynamics by sending a signal that any project developer who encounters challenging economics may circumvent a Tariff's financial consequences by seeking individualized relief. A financial commitment that evaporates when circumstances shift is not a commitment at all. The resulting uncertainty would corrode the incentives that PJM's readiness requirements were explicitly designed to reinforce and have profound destabilizing effects on orderly queue administration. Such outcome would be *particularly* unacceptable given the current PJM environment.

For these reasons, we respectfully concur.

Laura V. Swett
Chairman

Lindsay S. See
Commissioner

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