

196 FERC ¶ 61,129
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

August 14, 2026

In Reply Refer To:

PJM Interconnection, L.L.C.
AEP Appalachian Transmission Company, Inc.
AEP Indiana Michigan Transmission Company, Inc.
AEP Kentucky Transmission Company, Inc.
AEP Ohio Transmission Company, Inc.
AEP West Virginia Transmission Company, Inc.
American Transmission Systems, Incorporated
Appalachian Power Company
Atlantic City Electric Company
Baltimore Gas and Electric Company
Commonwealth Edison Company
Commonwealth Edison Company of Indiana, Inc.
Dayton Power and Light Company
Delmarva Power & Light Company
Duke Energy Kentucky, Inc.
Duke Energy Ohio, Inc.
Duquesne Light Company
Essential Power Rock Springs, LLC
Hudson Transmission Partners, LLC
Indiana Michigan Power Company
Jersey Central Power & Light Company
Kentucky Power Company
Keystone Appalachian Transmission Company
Kingsport Power Company
Linden VFT, LLC
Mid-Atlantic Interstate Transmission, LLC
Monongahela Power Company
Neptune Regional Transmission System, LLC
NextEra Energy Transmission MidAtlantic Indiana, Inc.
Ohio Power Company
Ohio Valley Electric Corporation
Old Dominion Electric Cooperative
PECO Energy Company
PPL Electric Utilities Corporation

The Potomac Edison Company
Potomac Electric Power Company
Public Service Electric and Gas Company
Rockland Electric Company
Silver Run Electric, LLC
Trans-Allegheny Interstate Line Company
Transource West Virginia, LLC
UGI Utilities, Inc.
Virginia Electric and Power Company
Wheeling Power Company
Docket No. EL26-67-000

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Attention: Michael Kunselman

LS Power Development, LLC
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Attention: Blake R. Urban

Dear Ms. Porter, Mr. Kunselman, and Mr. Urban:

1. On June 18, 2026, the Commission initiated a show cause proceeding under section 206 of the Federal Power Act (FPA)¹ (Show Cause Order).² The Show Cause Order directed PJM Interconnection, L.L.C. (PJM) and the Transmission Owners to explain why PJM's Open Access Transmission Tariff (Tariff) remains just and reasonable and not unduly discriminatory or preferential without certain Tariff provisions

¹ 16 U.S.C. § 824e.

² *PJM Interconnection, L.L.C.*, 195 FERC ¶ 61,211 (2026) (Show Cause Order), *errata notice*, 196 FERC ¶ 61,122 (2026).

addressing large loads and co-located loads, or propose Tariff revisions addressing the Commission's concerns. It also directed PJM and the Transmission Owners, within 60 days of the date of the order, to respond to the Show Cause Order and the briefing questions. Responses to the Show Cause Order are due on August 17, 2026, with answers due 30 days after the responses are filed.³

2. On July 28, 2026, pursuant to Rule 212 of the Commission's Rules of Practice and Procedure,⁴ PJM and the Indicated PJM Transmission Owners (Indicated PJM TOs)⁵ each filed a motion to hold the above-referenced show cause proceeding in abeyance, in full, for 90 days, pending completion of PJM's stakeholder proceedings and submittal of one or more FPA section 205⁶ filings to address the Commission's preliminary findings in the Show Cause Order. On August 3, 2026, pursuant to Rule 212 of the Commission's Rules of Practice and Procedure,⁷ Silver Run Electric, LLC (Silver Run) filed a motion to hold the above-referenced show cause proceeding in abeyance, in full, for 90 days,

³ *Id.* PP 35, 37.

⁴ 18 C.F.R. § 385.212 (2025).

⁵ The Indicated PJM TOs include: American Electric Power Service Corporation on behalf of its affiliates, Appalachian Power Company, Indiana Michigan Power Company, Kentucky Power Company, Kingsport Power Company, Ohio Power Company, Wheeling Power Company, AEP Appalachian Transmission Company, Inc., AEP Indiana Michigan Transmission Company, Inc., AEP Kentucky Transmission Company, Inc., AEP Ohio Transmission Company, Inc., and AEP West Virginia Transmission Company, Inc.; The Dayton Power and Light Company; Dominion Energy Services, Inc. on behalf of Virginia Electric and Power Company; Duke Energy Business Services, LLC for Duke Energy Kentucky, Inc. and Duke Energy Ohio, Inc.; Duquesne Light Company; East Kentucky Power Cooperative, Inc.; Exelon Corporation on behalf of its affiliates Atlantic City Electric Company, Baltimore Gas and Electric Company, Commonwealth Edison Company, Commonwealth Edison Company of Indiana, Inc., Delmarva Power & Light Company, PECO Energy Company, and Potomac Electric Power Company; FirstEnergy Service Company, on behalf of its affiliates American Transmission Systems, Incorporated, Jersey Central Power & Light Company, Mid-Atlantic Interstate Transmission LLC, The Potomac Edison Company, Monongahela Power Company, Keystone Appalachian Transmission Company, and Trans-Allegheny Interstate Line Company; PPL Electric Utilities Corporation; Public Service Electric and Gas Company; Rockland Electric Company; and the Southern Maryland Electric Cooperative.

⁶ 16 U.S.C. § 824d.

⁷ 18 C.F.R. § 385.212.

pending completion of PJM's stakeholder proceedings and submittal of one or more FPA section 205⁸ filings to address the Commission's preliminary findings in the Show Cause Order (together with PJM's and Indicated PJM TOs' motions, Abeyance Motions). In this order, we grant the Abeyance Motions filed by PJM, Indicated PJM TOs, and Silver Run, and hold this proceeding in abeyance for 90 days.

3. In the Show Cause Order, the Commission stated that PJM and the Transmission Owners may request an abeyance, in whole or in part, for up to 90 days, "while they work through the stakeholder processes to develop FPA section 205 filings to revise the Tariff to address the issues raised in this order."⁹ The Commission also stated that such requests must include: "(1) a robust description of the content of a potential future filing under FPA section 205 and (2) a reasoned and specific explanation of when such a filing is expected to be made."¹⁰

4. PJM states that, given the complexity and interrelated nature of the Show Cause Order and the PJM co-location proceeding,¹¹ an abeyance is appropriate to allow time for PJM to identify what changes to the Tariff may be needed on a holistic basis, engage with stakeholders, and develop the resulting FPA section 205 filing.¹² PJM states that its intended FPA section 205 filing will advance a proposal that delivers faster and more flexible processes that also: (1) achieve efficient transmission service application and study processes, including through the consideration of alternative transmission technologies; (2) prevent cost shifting and enhance transparency into transmission costs (with consideration given to concerns and issues raised in recently submitted requests for clarification and rehearing); (3) provide new transmission services for flexible large loads, building upon the work that has already been done and will be finalized regarding co-located load; and (4) enhance study processes especially for generating facilities that serve electrically proximate large loads.¹³ PJM states that a conceptual framework was previewed with stakeholders on July 30, 2026. PJM has scheduled or will schedule stakeholder engagement sessions to share and receive feedback on PJM's proposal on July 30, 2026, August 18, 2026, and September 16, 2026, with the goal of taking an

⁸ 16 U.S.C. § 824d.

⁹ Show Cause Order, 195 FERC ¶ 61,211 at P 39.

¹⁰ *Id.*

¹¹ *PJM Interconnection, L.L.C.*, 193 FERC ¶ 61,217 (2025).

¹² PJM Abeyance Motion at 1-2.

¹³ *Id.* at 6-7.

advisory stakeholder vote on the proposal at the Members Committee meeting on October 28, 2026.

5. Indicated PJM TOs state that an abeyance is needed to provide sufficient time to develop and submit one or more FPA section 205 filings to implement the rates, terms, and conditions necessary to address the Show Cause Order.¹⁴ Indicated PJM TOs state that the Transmission Owners have exclusive and unilateral rights regarding regional rates and rate design under the PJM Tariff, including specific cost allocation provisions, and anticipate that their FPA section 205 filing(s) will include: (1) *pro forma* cost recovery agreements and rates for new transmission services for flexible large loads and electrically proximate large loads or co-located loads; and (2) any financial penalties applied to customers that fail to meet their contractual service limits with respect to any new transmission services.¹⁵ Indicated PJM TOs state that they are considering whether the transparency findings in the Show Cause Order may require revisions to the Transmission Owners' local transmission planning procedures.

6. Silver Run states that an abeyance is needed to allow PJM and the Transmission Owners sufficient time to ensure that the proposed Tariff revisions are workable, transparent, and responsive to the Commission's identified areas of concern.¹⁶ Silver Run states that, through the stakeholder process, it expects to propose revisions to the PJM Tariff and related agreements addressing the application process, study procedures, and ongoing operational requirements applicable to eligible customers seeking transmission service on behalf of large loads.¹⁷ Silver Run states that its proposed revisions are expected to include: the definition of a large load; readiness and information requirements; the evaluation of alternative transmission technologies; a *pro forma* service agreement memorializing operational terms, transparency, cost recovery, associated financial security, and rate treatment provisions intended to mitigate cost shifting among transmission customers; and a reasonable implementation period and effective date designed to minimize disruption to existing commercial arrangements.

7. On July 30, 2026, and August 4, 2026, the Commission issued notices requiring answers to the Abeyance Motions to be submitted by August 7, 2026.¹⁸ PJM Industrial

¹⁴ Indicated PJM TOs Abeyance Motion at 10.

¹⁵ *Id.* at 4.

¹⁶ Silver Run Abeyance Motion at 2.

¹⁷ *Id.* at 5.

¹⁸ Notice Establishing Answer Period, Docket No. EL26-67-000 (issued July 30, 2026) (establishing answer deadlines for PJM's and the Indicated PJM TOs' Abeyance Motions); Notice Establishing Answer Period, Docket No. EL26-67-000

Customer Coalition, Constellation Energy Generation, LLC, and Corporate Energy Buyers Association filed timely answers in support of PJM's and Indicated PJM TOs' Abeyance Motions.

8. We grant the Abeyance Motions filed by PJM, Indicated PJM TOs, and Silver Run. Consistent with the Show Cause Order, PJM, Indicated PJM TOs, and Silver Run have provided robust descriptions of the filings they anticipate making, provided a date by which they intend to make such filings, and described the ongoing stakeholder process, including dates for stakeholder engagement sessions and an advisory stakeholder vote. Such a stakeholder process will provide PJM, Transmission Owners, and other stakeholders an opportunity to consider region-specific solutions to the concerns raised in the Show Cause Order. PJM and Indicated PJM TOs state that they intend to submit their FPA section 205 filings by early/mid-November 2026 and no later than November 16, 2026, respectively. Silver Run states that it will coordinate with PJM to comply with the Commission's directives by November 16, 2026.

9. Accordingly, to allow PJM's stakeholder process to continue so that PJM and Indicated PJM TOs can make the anticipated described filings, we will grant the Abeyance Motions filed by PJM, Indicated PJM TOs, and Silver Run. We will hold this FPA section 206 proceeding in abeyance, in full, including responses to the Show Cause Order and briefing questions, for 90 days. Therefore, responses to the Show Cause Order will be due on November 16, 2026, and answers to responses will be due on December 16, 2026.

10. If PJM or Transmission Owners submit an FPA section 205 filing addressing the Commission's preliminary findings in the Show Cause Order on or before November 16, 2026, then the obligation of the respondent(s) who have made such an FPA section 205 filing to file a response to the Show Cause Order will be suspended, and this proceeding will continue to be held in abeyance pending further Commission directive in this proceeding.

11. To the extent that PJM and/or Transmission Owners intend to request in their FPA section 205 filing that the show cause proceeding be terminated in full or in part if the Commission accepts the filing, we encourage PJM and/or Transmission Owners to explain, with specificity, which of their proposed Tariff revisions they believe resolve all or some of the Commission's preliminary findings in the Show Cause Order, and whether the Commission should terminate the Show Cause Order, in full or in part.

(issued Aug. 4, 2026) (establishing answer deadline for Silver Run's Abeyance Motion).

12. While we expect PJM and/or Transmission Owners to implement these tariff revisions as expeditiously as possible, we encourage PJM and/or Transmission Owners to propose an effective date that takes into account the necessary time to implement the proposed Tariff revisions and accommodate existing commercial arrangements.

By direction of the Commission.

Debbie-Anne A. Reese,
Secretary.