

194 FERC ¶ 61,079  
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.

PJM Interconnection, L.L.C.

Docket No. ER26-403-001

ORDER ACCEPTING TARIFF REVISIONS

(Issued January 29, 2026)

1. On October 31, 2025, as amended on November 25, 2025, pursuant to section 205 of the Federal Power Act (FPA)<sup>1</sup> and part 35 of the Commission's regulations,<sup>2</sup> PJM Interconnection, L.L.C. (PJM) filed proposed revisions to Part VIII of PJM's Open Access Transmission Tariff (Tariff) to establish a separate, serial interconnection process for Replacement Generation Interconnection Service Requests to facilitate the transfer of Capacity Interconnection Rights (CIRs) from deactivating generation resources to new replacement resources (Replacement Generation Resource). As discussed below, we accept PJM's Tariff revisions, effective January 30, 2026, as requested.<sup>3</sup>

**I. Background**

2. In Order No. 2003,<sup>4</sup> the Commission required public utilities that own, control, or operate transmission facilities to file standard generator interconnection procedures and a standard agreement to provide interconnection service to generating facilities with a capacity greater than 20 MW. The Commission adopted the *pro forma* Large Generator Interconnection Procedures (LGIP) and *pro forma* Large Generator Interconnection Agreement (LGIA), and required all public utilities subject to Order No. 2003 to modify

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<sup>1</sup> 16 U.S.C. § 824d.

<sup>2</sup> 18 C.F.R. pt. 35 (2025).

<sup>3</sup> See Appendix for the tariff records accepted by this order.

<sup>4</sup> *Standardization of Generator Interconnection Agreements and Procedures*, Order No. 2003, 104 FERC ¶ 61,103 (2003), *order on reh'g*, Order No. 2003-A, 106 FERC ¶ 61,220, *order on reh'g*, Order No. 2003-B, 109 FERC ¶ 61,287 (2004), *order on reh'g*, Order No. 2003-C, 111 FERC ¶ 61,401 (2005), *aff'd sub nom. Nat'l Ass'n of Regulatory Util. Comm'rs v. FERC*, 475 F.3d 1277 (D.C. Cir. 2007).

their tariffs to incorporate the *pro forma* LGIP and LGIA.<sup>5</sup> The Commission indicated that it would allow Regional Transmission Organizations and Independent System Operators (RTO/ISO) to propose independent entity variations for pricing and non-pricing provisions, stating that RTOs/ISOs have different operating characteristics due to their sizes and locations and that an RTO/ISO is less likely to act in an unduly discriminatory manner than a transmission provider that is also a market participant.<sup>6</sup> The Commission found that the RTOs/ISOs “shall therefore have greater flexibility to customize [their] interconnection procedures and agreements to fit regional needs.”<sup>7</sup>

3. Under PJM’s existing Generation Interconnection Procedures, PJM defines CIRs as “the rights to input generation as a Generation Capacity Resource into the Transmission System at the Point of Interconnection where the generating facilities connect to the Transmission System.”<sup>8</sup> Generation resources accredited as deliverable under the Reliability Assurance Agreement Among Load Serving Entities in the PJM Region are awarded CIRs commensurate with the size in megawatts of the generation as identified in the Generation Interconnection Agreement (GIA).<sup>9</sup>

4. PJM’s existing CIR rules, which apply to interconnection requests submitted on or after October 1, 2021,<sup>10</sup> state that in the event of Deactivation of a Generation Capacity Resource, any CIRs associated with such generating facility terminate one year from the Deactivation Date, unless the holder of such rights has submitted a completed Generation Interconnection Request within this one year after the Deactivation Date.<sup>11</sup> The Tariff provides that if the interconnection request to which the CIRs are transferred is later terminated and/or withdrawn, the CIRs terminate one year after either the Deactivation or the Capacity Resource status change of the original generator.<sup>12</sup> The Tariff provides that CIRs may be sold or otherwise transferred to a third party under transfer and notice procedures set

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<sup>5</sup> Order No. 2003, 104 FERC ¶ 61,103 at PP 1-2.

<sup>6</sup> *Id.* P 827.

<sup>7</sup> *Id.*

<sup>8</sup> PJM, Intra-PJM Tariffs, OATT, § I.1 C-D, OATT Definitions (44.0.0) (defining Capacity Interconnection Rights).

<sup>9</sup> *Id.* Part VIII.E 426 Capacity Interconnection Rights (0.1.0), § 426B.

<sup>10</sup> *Id.* Part VIII.A 401 Applications for Cycle Process Intro (2.0.0).

<sup>11</sup> *Id.* Part VIII.E 426 Capacity Interconnection Rights (0.1.0), §§ 426C.2-4.

<sup>12</sup> *Id.* § 426C.3 (Replacement of Generation).

by PJM.<sup>13</sup> A Generation Project Developer must submit any claim for CIRs from deactivating units concurrently with its Application for Interconnection Service.

5. PJM currently considers CIR transfers and corresponding Applications for Interconnection Service in its standard interconnection queue procedures. In 2022, the Commission accepted PJM's proposal to move from a serial first-come, first-served interconnection queue process to a first-ready, first-served clustered cycle approach that groups projects in three-phase cluster cycles for purposes of studying and allocating costs.<sup>14</sup> PJM's current standard interconnection process uses a single application and study process that includes three phases and three decision points to evaluate New Service Requests on a cluster basis.<sup>15</sup> The current rules include transition period rules, in Part VII of the PJM Tariff, and rules that would apply after the transition period, in Part VIII of the PJM Tariff. On July 10, 2023, PJM began the transition period, during which PJM plans to finish clearing the backlog of pending New Service Requests from the prior serial interconnection process using the new clustered cycle approach.<sup>16</sup> All applications submitted in queue window AH2 (which ran from October 1, 2021, through March 31, 2022) and after will proceed under the new rules as Cycle No. 1.

6. PJM states that the PJM region faces resource adequacy challenges.<sup>17</sup> PJM states that it published a report in 2023 that found that generator retirements, load growth, the pace of new resource entry, and the operating characteristics of the intermittent and limited duration resources that made up a large part of PJM's interconnection queue will present increasing reliability risks to the PJM transmission system through 2030.<sup>18</sup> PJM

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<sup>13</sup> *Id.* § 426C.4 (Transfer of Capacity Interconnection Rights).

<sup>14</sup> *PJM Interconnection, L.L.C.*, 181 FERC ¶ 61,162 (2022) (accepting PJM's Tariff revisions to reform its interconnection process), *reh'g denied*, 184 FERC ¶ 61,006 (2023), *Hecate Energy LLC v. FERC, petition for review dismissed*, No. 23-1089, 2025 WL 249062, at \*2 (D.C. Cir. 2025).

<sup>15</sup> PJM, Intra-PJM Tariffs, OATT Part VIII.C.

<sup>16</sup> *PJM Interconnection, L.L.C.*, Notice of Occurrence of Transition Date of PJM Interconnection, L.L.C., Docket Nos. ER22-2110-000, -001 (July 11, 2023).

<sup>17</sup> Transmittal at 2 (citing Bielak Aff. at ¶ 10). *See* PJM Interconnection, L.L.C., *Energy Transition in PJM: Resource Retirements, Replacements & Risks*, 1-2 (Feb. 24, 2023), <https://www.pjm.com/-/media/library/reports-notice/special-reports/2023/energytransition-in-pjm-resource-retirements-replacements-and-risks.ashx> (Four Rs Report).

<sup>18</sup> *Id.* at 2 (citing Bielak Aff. at ¶ 8). *See* Four Rs Report at 10 (finding that PJM faces up to 40 GW of existing generation retirements by 2030, which would represent

states that since renewable projects in the PJM region have a historical completion rate of five percent, the report determined that the pace of new resource entry would be insufficient to keep pace with expected retirements and demand growth.<sup>19</sup>

7. Among other reforms submitted by PJM to address heightened reliability and resource adequacy concerns,<sup>20</sup> on January 31, 2025, PJM proposed to modify the existing process for transferring CIRs from deactivating generation resources to Replacement Generation Resources by establishing a separate process for Replacement Generation Interconnection Service.<sup>21</sup> Under this proposal, Replacement Generation Resources were required to have a Commercial Operation Date that is no later than the latter of three years after the actual Deactivation Date of the deactivating generating facility or the date that the Replacement Generation Project Developer executes its GIA or requests that the GIA be filed unexecuted.<sup>22</sup> However, the proposal included three exceptions to the Commercial Operation Date requirement: (1) Replacement Generation Resources with industry-recognized significant construction timelines, such as nuclear or combined-cycle generating facilities, may have a Commercial Operation Date later than three years;<sup>23</sup> (2) Replacement Generation Project Developers were provided a one-time option to extend their Commercial Operation Date beyond three years from the Deactivation Date

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21% of PJM's installed capacity, and that PJM's new service queue primarily consists of renewable and storage hybrid resources (94%), which represents 290 GW of nameplate capacity).<sup>18</sup>

<sup>19</sup> Four Rs Report at 2, 14 (stating that demand growth is further exasperated by data center development).

<sup>20</sup> See, e.g., *PJM Interconnection, L.L.C.*, 190 FERC ¶ 61,084, *order on reh'g and clarification*, 192 FERC ¶ 61,085 (2025) (accepting PJM's Reliability Resource Initiative (RRI), which allows additional projects meeting certain criteria to be studied in Transition Cycle No. 2); *PJM Interconnection, L.L.C.*, 190 FERC ¶ 61,083 (2025) (accepting PJM's surplus interconnection service reforms).

<sup>21</sup> PJM Interconnection, L.L.C, Transmittal, Docket No. ER25-1128-000, at 7-9 (filed Jan. 31, 2025).

<sup>22</sup> *PJM Interconnection, L.L.C.*, 192 FERC ¶ 61,137, at P 12 (2025) (August 2025 Order) (citing PJM, Intra-PJM Tariffs, OATT Part VIII.J 437 Replacement Generation Interconnection (0.0.0), § 437A.6.b.1; Franks Aff. ¶ 18).

<sup>23</sup> *Id.* P 13 (citing PJM, Intra-PJM Tariffs, OATT Part VIII.J 437 Replacement Generation Interconnection (0.0.0), § 437A.6.b.i).

of the deactivating Generating Facility “regardless of cause;”<sup>24</sup> and (3) the Transmission Provider “may reasonably extend milestone dates in the Replacement Generation Resource’s GIA, including the milestone date for commercial operation, in the event of delays not caused by the Replacement Generation Project Developer, such as unforeseen regulatory or construction delays that could not be remedied by the Replacement Generation Project Developer through the exercise of due diligence.”<sup>25</sup>

8. On August 8, 2025, the Commission rejected PJM’s proposal, finding that the lack of a maximum time limit for the one-time option to extend a Replacement Generation Resource’s Commercial Operation Date regardless of cause rendered PJM’s proposal unjust and unreasonable because it undermined the purpose of the generator replacement process.<sup>26</sup> The Commission stated that “[t]he Commercial Operation Date time limit is one of the parts of the generator replacement process that ensures that older resources are efficiently replaced with newer ones and should not be undermined by the potential for indeterminate extensions.”<sup>27</sup> The Commission concluded that the lack of a maximum time limit for Commercial Operation date extensions would result in a generator replacement process that does not promote the efficient interconnection of new resources. The Commission also found the proposal unjust and unreasonable because the unrestricted opportunity to delay commercial operation may result in CIRs and associated transmission capacity going unused.<sup>28</sup> The Commission emphasized that its concern was not the ability for a resource to extend its Commercial Operation Date, but rather the unilateral and unbounded ability to extend the date regardless of cause and without a reasonable, maximum time limit.<sup>29</sup>

9. The Commission rejected PJM’s proposal without prejudice to PJM submitting a revised generator replacement proposal that addressed the Commission’s concerns.<sup>30</sup>

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<sup>24</sup> *Id.* (citing PJM, Intra-PJM Tariffs, OATT Part VIII.J 437 Replacement Generation Interconnection (0.0.0), § 437A.6.a.1).

<sup>25</sup> *Id.* (citing PJM, Intra-PJM Tariffs, OATT Part VIII.J 437 Replacement Generation Interconnection (0.0.0), § 437A.6.b.iii).

<sup>26</sup> *Id.* P 38

<sup>27</sup> *Id.*

<sup>28</sup> *Id.* P 39.

<sup>29</sup> *Id.* P 40.

<sup>30</sup> *Id.* P 37. The Commission found that, as a general matter, PJM’s proposal would promote the efficient use of existing infrastructure and may yield other benefits. *Id.* P 42.

Noting PJM's offer to amend its proposal to require Replacement Generation Developers to submit any changes to their proposed resource within 15 business days after a Material Adverse Impact determination, the Commission encouraged PJM to include such a requirement in any future filing.<sup>31</sup> With regard to PJM's proposal to exempt certain resource types from the three-year Commercial Operation Date requirements, the Commission encouraged any future filing to include information supporting that any provision offering certain Replacement Generation Resources flexibility with respect to achieving commercial operation is not unduly discriminatory and to define the criteria that resources must satisfy to qualify for the exemption.<sup>32</sup>

## II. Filing

10. PJM proposes to add a new Subpart J to Part VIII of the Tariff to establish a separate interconnection queue and process for Replacement Generation Interconnection Service Requests.<sup>33</sup> PJM states that the proposed Tariff revisions are designed to facilitate the transfer of CIRs from deactivating generation resources to Replacement Generation Resources. PJM states that the proposal is largely identical to PJM's prior filing but modifies requirements concerning the Commercial Operation Date to address the Commission's findings in the August 2025 Order and includes a 15-Business Day time limit for Replacement Generation Project Developers to submit modifications to their Replacement Generation Resources to eliminate a Material Adverse Impact identified by PJM.

11. PJM states that, under the proposal, parties with a generating facility interconnected with the PJM transmission system that is being deactivated may submit a Replacement Generation Interconnection Service Request to transfer the deactivating facility's CIRs to a Replacement Generation Resource.<sup>34</sup> PJM states that, consistent with its previous filing, Project Developers may submit a Replacement Generation Interconnection Service Request for a Replacement Generation Resource of any fuel type, provided that such request is submitted within one year after the Deactivation Date, and that the Replacement Generation Resource must interconnect to the PJM system at the same substation and at the same voltage as the deactivating generating facility, and not exceed the maximum generation output of the deactivating generating facility.<sup>35</sup> PJM

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<sup>31</sup> *Id.* P 43.

<sup>32</sup> *Id.* P 45.

<sup>33</sup> Transmittal at 10.

<sup>34</sup> Proposed Tariff, Part VIII, Subpart E, § 426(C)(3).

<sup>35</sup> *See* Proposed Tariff, Part VIII, Subpart J, §§ 437(A)(2)-(5).

states that the Replacement Generation Project Developer is required to submit with its request: (1) written notice of the proposed deactivation or a Notice of Intent to Deactivate; and (2) a written Notice of Intent to Transfer CIRs.<sup>36</sup>

12. PJM's proposal requires that Replacement Generation Interconnection Service Requests have a planned in-service date that is no later than three years from the Deactivation Date of the deactivating facility, if applicable, or no later than four years from the date the Replacement Generation Interconnection Service Request is submitted.<sup>37</sup> However, PJM states that the Replacement Generation Resource may not be placed in service prior to the actual Deactivation Date of the deactivating facility. PJM states that it will use the planned in-service date listed in an application for Replacement Generation Interconnection Service to establish the milestone dates for the Replacement Generation Resource's GIA.<sup>38</sup>

13. PJM states that, under its proposal, once a project completes the study process, PJM may reasonably extend the milestone date for a Replacement Generation Resource's GIA, including the planned in-service date milestone, for delays not caused by the Project Developer and that could not have been remedied through the exercise of due diligence.<sup>39</sup> PJM states that such milestone extension negotiations may occur once the project enters final negotiations of the GIA, subject to the milestone provisions of Tariff, Part VIII, Subpart E, section 429. Additionally, PJM states that the GIA will reflect that Replacement Generation Project Developers have agreed to waive the right to a one-year extension of their milestone dates for any reason under section 6.5 of the GIA. Further, PJM states that milestone extensions cannot exceed three years beyond the planned in-service date under any circumstance.<sup>40</sup> PJM states that Replacement Generation Project Developers must include in their applications evidence of site control, any necessary fuel delivery agreements and water agreements, and any necessary rights-of-way for fuel and water interconnection.<sup>41</sup> PJM states that it also requires Replacement Generation Project

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<sup>36</sup> Transmittal at 10-11; Proposed Tariff, Part VIII, Subpart J, § 437(A)(1).

<sup>37</sup> Proposed Tariff, Part VIII, Subpart J, § 437(A)(6).

<sup>38</sup> Transmittal at 11-12; Proposed Tariff, Part VIII, Subpart J, § 437(A)(6)(a).

<sup>39</sup> Transmittal at 12; Proposed Tariff, Part VIII, Subpart J, § 437(C)(1)(g)(iv).

<sup>40</sup> *Id.* § 437(A)(6)(c).

<sup>41</sup> Transmittal at 13; Proposed Tariff, Part VIII, Subpart J, §§ 437(B)(1)-(2).

Developers to submit a written attestation executed by an officer or authorized representative affirming that the Replacement Generation Resource will achieve its Commercial Operation Date.<sup>42</sup>

14. PJM states that it expects to review a Replacement Generation Interconnection Service Request, address identified deficiencies, and hold any necessary kickoff/scoping meeting approximately 60 days from receipt of the application.<sup>43</sup> PJM states that it will review applications as soon as practical on a serial basis through a separate process parallel to PJM's main cycle process.<sup>44</sup> PJM states that after it determines that an application is a valid Replacement Generation Interconnection Service Request, PJM will assign the Replacement Generation Project Developer a serial queue position and commence the Replacement Generation Interconnection Study.<sup>45</sup> PJM states that it estimates that the Replacement Generation Interconnection Study will take approximately 180 days and will consist of an impact study and a facilities study performed by the relevant transmission owner.<sup>46</sup> PJM states that Replacement Generation Project Developers have an opportunity to submit changes to a proposed Replacement Generation Resource that would eliminate a Material Adverse Impact identified by PJM, provided that such changes are submitted within 15 business days of receiving the impact study results.<sup>47</sup> PJM states that this opportunity to submit changes to eliminate a Material Adverse Impact may only be exercised once.<sup>48</sup> PJM states that after the Replacement

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<sup>42</sup> *Id.* at 22; Proposed Tariff, Part VIII, Subpart J, § 437(B)(4)(f) (stating that the planned in-service date of the proposed Replacement Generation Resource must be evidence by “(i) a critical path construction schedule (“Project Schedule”) showing how the Replacement Generation Project Developer will achieve the planned in service date, (ii) an attestation executed by an officer or authorized representative of the Replacement Generation Project Developer, verifying the accuracy of the information in the Project Schedule, including all dates, and certifying that the Applicant will exercise commercially reasonable best efforts to achieve these dates, and (iii) information and documentation supporting the Project Schedule.”).

<sup>43</sup> Proposed Tariff, Part VIII, Subpart E, § 437(C)(1).

<sup>44</sup> *Id.* § 437(B)(5).

<sup>45</sup> Transmittal at 13-14; Proposed Tariff, Part VIII, Subpart E, § 412.

<sup>46</sup> Proposed Tariff, Part VIII, Subpart J, § 437(C)(1).

<sup>47</sup> *Id.* § 437(C)(1)(d).

<sup>48</sup> *Id.* §§ 437(C)(1)(b), (d).

Generation Interconnection Study, PJM will provide the Project Developer with a study report and tender a draft GIA, which will be subject to the negotiation rules under the Tariff.<sup>49</sup>

15. PJM states that its Replacement Generation Interconnection process is an efficient, fair, and fuel-neutral process that will allow generating facility owners to improve the efficiency, reliability, or cost effectiveness of their generating facilities through a well-defined process.<sup>50</sup> PJM states that its proposed process accomplishes the purpose of Order No. 2003, as it promotes increased development of economic generation by reducing interconnection cost and time, thereby encouraging needed investment in generation and transmission infrastructure to reinforce system reliability. Additionally, PJM states that the proposed Replacement Generation Interconnection process is consistent with open access, non-discriminatory principles, and with replacement generation processes the Commission has approved for other RTOs and non-RTO transmission providers.<sup>51</sup>

16. PJM states that the Commission should find that the revised proposal addresses the Commission's concerns from the August 2025 Order because it (1) eliminates the Replacement Generation Project Developer's one-time option to extend a project's Commercial Operation Date indefinitely, regardless of cause; (2) removes the provision exempting certain resource types with "industry-recognized significant construction timeframes" from the three-year Commercial Operation Date requirement; and (3) ensures that older generating resources are efficiently replaced with newer resources.<sup>52</sup> PJM states that the proposed revisions, coupled with the existing milestone extension process, remove the ability for a Replacement Generation Project Developer to

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<sup>49</sup> *Id.* § 437(C)(1)(f).

<sup>50</sup> Transmittal at 17.

<sup>51</sup> *Id.* at 17, 19 (citing *Midcontinent Indep. Sys. Operator, Inc.*, 167 FERC ¶ 61,146, at PP 61-62 (2019) (*MISO*); *Sw. Power Pool, Inc.*, 171 FERC ¶ 61,270, at PP 13-15 (2020) (*SPP*); *Dominion Energy S.C., Inc.*, 173 FERC ¶ 61,171, at PP 24-25 (2020) (*Dominion*); *Pub. Serv. Co. of Colo.*, 175 FERC ¶ 61,100, at P 15 (2021) (*PSCo*); *Duke Energy Carolinas, LLC*, 180 FERC ¶ 61,156, at P 18 (2022); *PacifiCorp*, 182 FERC ¶ 61,003, at P 55 (2023) (*PacifiCorp*); *Ariz. Pub. Serv. Co.*, 184 FERC ¶ 61,011, at P 38 (2023); *Indianapolis Power & Light Co.*, 175 FERC ¶ 61,106, at P 24 (2021); *Vistra Corp.*, 181 FERC ¶ 61,113, at P 13 (2022)).

<sup>52</sup> *Id.* at 21-22.

unilaterally extend GIA milestones and in-service timelines and requires demonstration of the ability to reach an early commercial operation date to secure a position in this expedited, serial process.<sup>53</sup>

17. PJM asserts that the proposed Replacement Generation Interconnection process does not conflict with Order No. 2023, as Order No. 2023 did not bar replacement generation processes running in parallel outside the clustered generator interconnection study processes.<sup>54</sup> PJM states that the Replacement Generation Interconnection process does not constitute queue jumping because there is no queue jumping where the rights at issue were initially obtained by the existing generator proceeding through the standard interconnection queue process.<sup>55</sup>

18. Furthermore, PJM states that the Replacement Generation Interconnection process is not likely to detract or divert PJM staff resources from the clustered cycle studies because it expects the number of Replacement Generation Interconnection Requests will be a very small portion of the total interconnection requests, and, absent the Replacement Generation Interconnection process, an interconnection request associated with a CIR transfer would be submitted in the cycle process.<sup>56</sup> Additionally, PJM states that because Replacement Generation Interconnection Requests are for interconnection rights that originally were obtained by a generator proceeding through the standard interconnection process, the bulk of the studies already have been performed and interconnection of a generating facility at the point of interconnection is built into the study models.

19. PJM states that the proposed Tariff revisions include protections from CIRs “timing out” while the request to transfer them is being studied. PJM explains that it will notify the Replacement Generation Project Developer if a Replacement Generation Interconnection Service Request does not meet the requirements for Replacement Generation Interconnection Service, and if PJM provides such notice more than one year after the Deactivation Date, the Replacement Generation Project Developer will retain the

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<sup>53</sup> *Id.* at 12.

<sup>54</sup> *Id.* at 23-24 (citing *Improvements to Generator Interconnection Procs. & Agreements*, Order No. 2023-A, 186 FERC ¶ 61,199, at P 165 (2024) (“[W]e clarify that Order No. 2023 does not require transmission providers to change, eliminate, or re-justify existing Commission-approved generator replacement processes on compliance. We reiterate our determination in Order No. 2023 that comments concerning generator replacement processes are beyond the scope of Order No. 2023.”)).

<sup>55</sup> *Id.* at 25.

<sup>56</sup> Transmittal at 24 (citing *Franks Aff.* ¶¶ 23, 27).

CIRs, provided it submits a new Generation Interconnection Request for the generating facility in a cycle currently open for applications.<sup>57</sup>

20. PJM states that if the Replacement Generation Interconnection studies are not completed within the proper timeframe or the Replacement Generation Interconnection Service Request is withdrawn from the Replacement Generation Interconnection process and an application is submitted for that project in the cycle process, the Replacement Generation Project Developer shall retain the pertinent CIRs after the end of the one-year period from the Deactivation Date, for so long as it has a valid Replacement Generation Interconnection Service Request or New Service Request that is still being considered by PJM, and until a GIA setting forth those CIRs is effective.<sup>58</sup> PJM states that these provisions allow a hybrid resource to pursue a dual track, with requests for the same project being studied in both the clustered cycle process and in the Replacement Generation Interconnection process. PJM states that flexibility is necessary during the transition period when there are pending requests to transfer CIRs to projects in Transition Cycle Nos. 1 or 2 or Cycle No. 1 under the new rules and Project Developers may choose to remain in the cycle they are in or apply to the Replacement Generation Interconnection Process. PJM states that there is a check on gaming of this flexibility in the Tariff revisions, in that the language allows only one GIA for one generating facility, including a hybrid facility.<sup>59</sup>

### **III. Notice and Responsive Pleadings**

21. Notice of PJM's filing was issued on October 31, 2025, with interventions and protests due on or before November 21, 2025 at 5:00 PM EST. Timely motions to intervene were filed by: Advanced Energy United (Advanced Energy); American Electric Power Service Corporation (AEPSC); Appalachian Voices; Calpine Corporation; Constellation Energy Generation, LLC; Dominion Energy Services, Inc. (Dominion); East Kentucky Power Cooperative, Inc. (EKPC); Exelon Corporation (Exelon); LS Power Development, LLC; Monitoring Analytics, LLC, acting in its capacity as the Independent Market Monitor for PJM (IMM); New Jersey Division of Rate Counsel; PPL Electric Utilities Corporation; Rockland Electric Company; Solar Energy Industries Association; Talen Energy Corporation; and Vistra Corp. (Vistra). Comments in support of PJM's

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<sup>57</sup> Proposed Tariff, Part VIII, Subpart E, § 426(C)(3).

<sup>58</sup> Transmittal at 28; Tariff, Part VIII, Subpart E, § 426(C)(3).

<sup>59</sup> *Id.* at 29; Proposed Tariff, Part VIII, Subpart E, § 412(D).

proposal were filed by: AEPSC,<sup>60</sup> Dominion,<sup>61</sup> and Exelon<sup>62</sup> (collectively, Joint Supporting Commenters); EKPC; Advanced Energy; and Vistra. The IMM filed a protest.

22. On November 24, 2025, PJM filed an amendment to change the proposed effective date of its filing to January 30, 2026. Notice of PJM's amendment was published in the *Federal Register*, 90 Fed. Reg. 54653 (Nov. 28, 2025), with interventions and protests due on or before December 15, 2025. None was filed.

23. On December 9, 2025, EKPC filed an answer to the IMM's protest. On December 15, 2025, the IMM filed an answer to EKPC's answer. On December 17, 2025, PJM filed an answer to the IMM's protest.

**A. Supportive Comments**

24. Several commenters argue that PJM's proposal will help PJM address potential resource adequacy challenges in the PJM region.<sup>63</sup> Specifically, commenters state that the proposal's fuel source neutrality allows for a broad range of potential capacity resources to use the faster Replacement Generation Interconnection process.<sup>64</sup> EKPC states that by reducing the gap between when an existing resource retires and when new

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<sup>60</sup> AEPSC filed 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., AEP West Virginia Transmission Company, Inc., and AEP Energy Partners, Inc.

<sup>61</sup> Dominion filed on behalf of Virginia Electric and Power Company.

<sup>62</sup> Exelon filed 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.

<sup>63</sup> EKPC Comments at 1; Joint Supporting Commenters Comments at 2; Advanced Energy Comments at 3; Vistra Comments at 1.

<sup>64</sup> Joint Supporting Commenters Comments at 8-9; Advanced Energy Comments at 4.

capacity comes online, PJM's proposal will help mitigate the increasing reliability challenges associated with resource retirements in PJM.<sup>65</sup>

25. Several commenters state that PJM's proposed revisions address the Commission's concerns in the August 2025 Order.<sup>66</sup> For example, Vistra states that, rather than providing developers unlimited extensions, PJM's proposed changes will ensure that extensions to the Commercial Operation Date will only be granted under limited circumstances and that the decision to grant the extension will rest with PJM, which is consistent with PJM's standard interconnection procedures.<sup>67</sup>

26. Several commenters contend that PJM's proposal cannot solve PJM's resource adequacy challenge alone, but it is an important tool in the toolbox for addressing the current need for generation to meet resource adequacy needs.<sup>68</sup> Similarly, Joint Supporting Commenters state that PJM's proposal appropriately recognizes that the status quo is not sufficient to solve the problem of the asymmetrical pace of retiring generation compared to the resource adequacy contribution of replacement generation while providing enough protections to ensure the reliability is maintained.<sup>69</sup> Advanced Energy also argues that replacement generation is more likely to achieve commercial operation faster than new generation, which generally requires additional steps for greenfield development.<sup>70</sup>

## **B. Protest**

27. The IMM argues that PJM's proposal should be rejected because PJM has not shown its proposal is just and reasonable or that it is needed for the stated purpose.<sup>71</sup> The IMM acknowledges that PJM needs additional capacity resources and PJM needs to

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<sup>65</sup> EKPC Comments at 6.

<sup>66</sup> EKPC Comments at 7; Advanced Energy Comments at 5, 7; Vistra Comments at 6-7.

<sup>67</sup> Vistra Comments at 7.

<sup>68</sup> EKPC Comments at 1; Joint Supporting Commenters Comments at 7; Advanced Energy Comments at 4.

<sup>69</sup> Joint Supporting Commenters Comments at 8.

<sup>70</sup> Advanced Energy Comments at 6.

<sup>71</sup> IMM Protest at 13.

remove inefficient barriers to entry based on interconnection queue rules.<sup>72</sup> However, the IMM argues that PJM's proposal does not reform the interconnection process, but rather degrades it.<sup>73</sup> The IMM states that PJM's RRI and surplus interconnection service proposals address all the reliability and timing issues that PJM asserts the Replacement Generation Interconnection Service addresses.

28. The IMM argues that PJM's proposal facilitates the exercise of market power by the owners of existing resources.<sup>74</sup> The IMM argues that the core purpose of PJM's proposal is to permit current owners of capacity resources to sell their CIRs to new developers at higher prices.<sup>75</sup> The IMM states that PJM's proposal originated with generation owners in the CIR transfer stakeholder process who want to increase the value of their CIRs and avoid the PJM interconnection process. The IMM also argues that PJM's proposal permits a retiring generator to jump the interconnection queue directly or to sell the ability to jump the queue by creating a new parallel queue.<sup>76</sup>

### C. Answers

#### 1. EKPC and PJM Answers to IMM

29. EKPC and PJM argue that, contrary to the IMM's protest, PJM's reliability challenges have not been solved by the Commission's approval of the RRI and surplus interconnection service filings.<sup>77</sup> PJM states that Replacement Generation Interconnection Service was developed as part of a larger package of reforms, which included RRI and surplus interconnection service, to help address PJM's resource adequacy concerns.<sup>78</sup> PJM states that those three queue reform proposals all involve additions to PJM's general, clustered cycle interconnection process, but each focuses on a different timeframe, different generating facilities, or a different mechanism for adding projects, and therefore each has an independent role to play in addressing PJM's need to interconnect generation resources expeditiously. PJM argues that surplus interconnection

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<sup>72</sup> *Id.* at 6.

<sup>73</sup> *Id.* at 4.

<sup>74</sup> *Id.* at 5.

<sup>75</sup> *Id.* at 9.

<sup>76</sup> *Id.* at 10.

<sup>77</sup> EKPC Answer at 2; PJM Answer at 3.

<sup>78</sup> PJM Answer at 3.

service and Replacement Generation Interconnection Service will continue on through future cycles and act in concert, not competition, with the main cycle process.<sup>79</sup> Furthermore, PJM states that the IMM does not explain how the RRI process, which concluded in early 2025 with the selection of 51 projects based on specific requirements, can handle interconnection of Replacement Generation Resources in the future.

30. EKPC and PJM state that the IMM has not provided a basis for the Commission to find PJM's proposal unjust and unreasonable.<sup>80</sup> PJM states that, contrary to the IMM's presumption that PJM's proposal affects generators' rights to CIRs, owners of deactivating resources with CIRs today can avail themselves of the opportunity to use or transfer CIRs from deactivating resources under Tariff, Part VIII, Subpart E, sections 426(C)(3) and (4), and they or the CIR transferee may request interconnection of the replacement project through PJM's clustered cycle process.<sup>81</sup> PJM argues that its proposal is a just and reasonable way to expedite the interconnection of Replacement Generation Resources in place of deactivating resources that have already been studied.<sup>82</sup>

31. EKPC and PJM dispute the IMM's allegation that the proposal presents market power concerns. PJM argues that the IMM's market power claim ignores the fact that Project Developers that seek to obtain and transfer CIRs to a Replacement Generation Resource would be doing so for the purpose of offering the Replacement Generation Resource into PJM's Reliability Pricing Model Auctions (i.e., if a resource owner intended to withhold a resource from the Reliability Pricing Model Auctions, such an owner would not seek CIRs for a Replacement Generation Resource in the first instance). EKPC agrees that it and other generating facility owners are not seeking to increase the value of their CIRs but are instead seeking to satisfy their load obligation.<sup>83</sup> EKPC states that PJM's proposal seeks to allow existing resources to retain or transfer their CIRs—as they currently are able to do—and have the replacement generation facilities that will use the CIRs studied through an expedited interconnection process.<sup>84</sup> Further, PJM argues

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<sup>79</sup> *Id.* at 4.

<sup>80</sup> EKPC Answer at 3; PJM Answer at 6.

<sup>81</sup> PJM Answer at 6-7.

<sup>82</sup> *Id.* at 8.

<sup>83</sup> EKPC Answer at 4-5.

<sup>84</sup> *Id.* at 6.

that if the IMM's concerns are that a bilateral process creates market power issues, then the IMM is misunderstanding the existing CIR transfer process.<sup>85</sup>

32. Finally, PJM argues that the Replacement Generation Interconnection process will not slow down the interconnection process or waste PJM resources because the studies of replacement generation facilities at the same points of interconnection and levels of service are not as time intensive as studies of greenfield projects, and there also is a finite number of possible Replacement Generation Interconnection Service Requests because there is a finite (and relatively limited) number of deactivating resources.<sup>86</sup>

## 2. IMM Answer to EKPC

33. The IMM contends that, regardless of EKPC's protestations, the direct result of PJM's proposal will create monopoly power for incumbent generators and will result in barriers to access.<sup>87</sup> The IMM argues that PJM's proposal will increase the value of incumbent generators' CIRs, will increase the interconnection costs of new generation, and will delay the interconnection process for new generation. The IMM states that PJM's proposal creates an unfair competitive advantage for incumbent generation owners if they elect to retain their CIRs. The IMM argues that, by allowing replacement generation to use different points of interconnection, it is clear that PJM's proposal is actually about CIRs, not the same point of interconnection.<sup>88</sup>

34. The IMM argues that PJM's proposal cannot be compared to MISO's and SPP's generator replacement processes because MISO and SPP are predominantly comprised of vertically integrated utilities with cost-of-service regulation, while PJM depends on competitive markets.<sup>89</sup> The IMM states that key factors relied upon in decisions for other markets do not exist in the PJM rules framework. For example, the IMM states that the rules in those regions included an evergreen provision in the interconnection service agreement and did not include the requirement for the prior retirement or the notice of the proposed retirement and related termination of the prior service.

35. In response to EKPC's argument that the Commission has found that existing generation owners "are not similarly situated to prospective owners of new generation, as

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<sup>85</sup> PJM Answer at 9.

<sup>86</sup> *Id.* at 10.

<sup>87</sup> IMM Answer at 2.

<sup>88</sup> *Id.* at 3-4.

<sup>89</sup> *Id.* at 3.

they have gone through an interconnection process and faced cost responsibility for any network upgrades that may have been necessary,”<sup>90</sup> the IMM maintains that there is no substantive difference between the incumbent generation owner and prospective owners of new generation. The IMM argues that the fact that the incumbent went through an interconnection process or that incumbents may or may not have paid for required upgrades is not relevant and does not confer special rights over competitors.<sup>91</sup> The IMM states that any such investment was part of the plant investment and has been paid for in the same way that the investment in the unit was paid for.

#### IV. Discussion

##### A. Procedural Matters

36. 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.

37. Rule 213(a)(2) of the Commission’s Rules of Practice and Procedure, 18 C.F.R. § 358.213(a)(2) (2025), prohibits an answer to a protest or answer unless otherwise ordered by the decisional authority. We accept EKPC’s, the IMM’s, and PJM’s answers because they provided information that assisted us in our decision-making process.

##### B. Substantive Matters

38. The Commission applies an independent entity variation standard to evaluate RTO/ISO proposals for deviations from the Commission’s *pro forma* LGIP and *pro forma* LGIA.<sup>92</sup> Under the independent entity variation standard, PJM must demonstrate that its proposed variations are just and reasonable and not unduly discriminatory or preferential and accomplish the purposes of the Commission’s final rules on generator

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<sup>90</sup> *Id.* at 4-5 (citing *PacifiCorp*, 182 FERC ¶ 61,003 at P 60).

<sup>91</sup> *Id.* at 5.

<sup>92</sup> Order No. 2003, 104 FERC ¶ 61,103 at PP 827; Order No. 2023, 184 FERC ¶ 61,054 at P 1784 & n.3346. The Commission has recognized that the independent entity variation standard is the appropriate standard of review for replacement generation interconnection proposals. See *MISO*, 167 FERC ¶ 61,146 at P 61; *SPP*, 171 FERC ¶ 61,270 at P 13; see also *PSCo*, 175 FERC ¶ 61,100 at P 38 & n.57 (explaining that, although it did not explicitly state in the MISO order that it was accepting MISO’s generator replacement process under the independent entity variation standard, the standard of review for RTO/ISO interconnection filings is the independent entity variation standard).

interconnection, including, as relevant here, Order Nos. 2003 and 2023.<sup>93</sup> For the reasons discussed below, we find that PJM's proposed Replacement Generation Interconnection process is just and reasonable and not unduly discriminatory or preferential. We also find that the process accomplishes the purposes of Order Nos. 2003 and 2023 because an expedited and more efficient process for studying Replacement Generation Resources will help foster increased development of economic generation by reducing interconnection costs and time, encourage needed investment in generation and transmission infrastructure, and protect system reliability.<sup>94</sup> Accordingly, we accept PJM's proposal effective January 30, 2026, as requested.

39. Consistent with the Commission's findings in the August 2025 Order regarding PJM's previous proposal,<sup>95</sup> we find that PJM's current proposal to establish a separate, more streamlined interconnection process for Replacement Generation Resources promotes the efficient use of existing infrastructure and yields numerous other benefits, including: (1) efficiencies through using existing interconnection service at retiring facilities; (2) reduced interconnection timelines for replacement generation through an expedited study process; (3) cost savings for customers by reducing study and construction costs; and (4) reduced interconnection-related uncertainty in generation resource planning.<sup>96</sup>

40. More specifically, we find that PJM's proposal will streamline the interconnection process for Replacement Generation Resources by allowing them to obtain replacement

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<sup>93</sup> See, e.g., *Sw. Power Pool, Inc.*, 183 FERC ¶ 61,215, at P 30 (2023) ("Under the independent entity variation standard, SPP must demonstrate that its proposed variations are just and reasonable and not unduly discriminatory or preferential, and accomplish the purposes of the Commission's rulemakings establishing the *pro forma* generator interconnection procedures and agreements.").

<sup>94</sup> *SPP*, 171 FERC ¶ 61,270 at P 13. See Order No. 2003, 104 FERC ¶ 61,103 at P 12 (adopting reforms to, among other things, "facilitate market entry for generation competitors by reducing interconnection costs and time," "encourage needed investment in generator and transmission infrastructure," "foster increased development of economic generation," and "protect system reliability"); see also Order No. 2023, 184 FERC ¶ 61,054 at P 3 (adopting reforms to "the Commission's standard interconnection procedures and agreements to ensure that interconnection customers are able to interconnect to the transmission system in a reliable, efficient, transparent, and timely manner")

<sup>95</sup> August 2025 Order, 192 FERC ¶ 61,137 at P 42.

<sup>96</sup> See, e.g., *PacifiCorp*, 182 FERC ¶ 61,003 at P 56 (identifying same benefits for PacifiCorp's generator replacement process).

interconnection service at the same location as a deactivating generating facility while avoiding unnecessary study costs and the longer timelines associated with the standard interconnection process, which could delay the replacement of older generating facilities with more efficient and cost-effective generating facilities.<sup>97</sup> We find that it is not necessary to send Replacement Generation Resources through the full interconnection process when such resources will be using the same type and level of service as the existing generating facility that they will replace and, therefore, will likely have only minimal impact on the PJM transmission system.<sup>98</sup> We also note that existing generating facilities typically own other significant assets at their generation sites, including customer-owned interconnection facilities, land, support buildings, and equipment, all of which can potentially be reused by a Replacement Generating Resource at the same site, creating efficiencies that may be reflected in lower rates for ratepayers.<sup>99</sup>

41. We also find that PJM's proposal is not unduly discriminatory or preferential because Replacement Generation Resources that are proposed to replace retiring generating facilities are not similarly situated to generating facilities associated with New Service Requests for the purpose of obtaining interconnection service in PJM. Specifically, Replacement Generation Resources are proposed to replace and obtain the CIRs of existing generating facilities that already have gone through an interconnection process that determined any network upgrades necessary to permit their operation at their points of interconnection. These existing generating facilities have been part of the "base case" for transmission planning purposes, and their capacity and electrical characteristics were studied when they went through the initial applicable interconnection study process.<sup>100</sup> In contrast to a Replacement Generation Resource, a new generating facility associated with a New Service Request has never been evaluated for any possible impacts of its interconnection on the transmission system, including the identification of any network upgrades needed to accommodate the interconnection service levels and

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<sup>97</sup> See *SPP*, 171 FERC ¶ 61,270 at PP 14-15; Transmittal at 2 (stating that "[t]he proposed process will enable the interconnection of additional Capacity Resources in a shorter period without harming Project Developers in PJM's three-phase Cycle Process at a time of heightened resource adequacy concerns").

<sup>98</sup> Transmittal at 18 (citing *MISO*, 167 FERC ¶ 61,146 at P 62). See *SPP*, 171 FERC ¶ 61,270 at P 15; *Dominion*, 173 FERC ¶ 61,171 at P 25; *PacifiCorp*, 182 FERC ¶ 61,003 at P 56.

<sup>99</sup> *Id.*

<sup>100</sup> *Id.* P 64.

electrical characteristics for the new generating facility, and has not already been incorporated into the base case for PJM's models.<sup>101</sup>

42. Additionally, we find that PJM's proposal addresses the Commission's concerns raised in the August 2025 Order. First, PJM has removed the Replacement Generation Project Developer's one-time option to extend a project's Commercial Operation Date indefinitely, regardless of cause.<sup>102</sup> Instead, PJM's proposal allows milestone extensions but restricts them to "delays not caused by the Replacement Generation Project Developer, such as unforeseen regulatory or construction delays that could not be remedied by the Replacement Generation Project Developer through the exercise of due diligence,"<sup>103</sup> and further specifies that "milestone dates [cannot] exceed (3) years beyond the planned in-service date."<sup>104</sup> Second, PJM has removed the provision that exempted certain resource types with "industry-recognized significant construction timeframes" from the three-year Commercial Operation Date requirements.<sup>105</sup> We find that PJM's proposed milestone extension provisions are just and reasonable because the proposed requirements reasonably balance the flexibility needed by Project Developers with the purpose of the Replacement Generation Interconnection process (i.e., providing for the efficient interconnection of new generating facilities that do not need to undergo the full interconnection study process). PJM's proposal permits milestone extensions only in certain circumstances, and only for up to a specific amount of time, which will help ensure that the Replacement Generation Interconnection process results in the timely and efficient replacement of generating facilities. Unlike the prior proposal that allowed Replacement Generation Project Developers to unilaterally extend the Commercial Operation Date for their project without restriction, the instant proposal allows PJM to "reasonably extend" the in-service date or other milestones under specified conditions.<sup>106</sup>

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<sup>101</sup> PJM states that "because Replacement Generation Interconnection Requests are for interconnection rights that originally were obtained by a generator proceeding through the standard interconnection process, the bulk of the studies already have been performed and interconnection of a generating facility at that Point of Interconnection is built into the study models." Transmittal at 24 (citing Franks Aff. ¶ 27). See *MISO*, 167 FERC ¶ 61,146 at PP 63-66.

<sup>102</sup> See August 2025 Order, 192 FERC ¶ 61,137 at PP 38-40.

<sup>103</sup> Proposed Tariff, Part VIII, Subpart J, § 437(C)(1)(g)(iv).

<sup>104</sup> *Id.* § 437(A)(6)(c).

<sup>105</sup> Transmittal at 21-22; see August 2025 Order, 192 FERC ¶ 61,137 at P 44.

<sup>106</sup> Proposed Tariff, Part VIII, Subpart J, § 437(C)(1)(g)(iv). The Commission previously held that similar extensions of milestones for delays not caused by the project developer and that could not have been remedied through the exercise of due diligence

Additionally, if a Replacement Generation Project Developer requires additional time beyond the maximum three-year extension, PJM's proposal includes a provision that Replacement Generation Project Developers are not prohibited "from seeking a waiver from the Commission or from the Transmission Provider supporting such request."<sup>107</sup>

43. The IMM raises four concerns with PJM's proposal: (1) queue jumping, (2) resource adequacy, (3) market power, and (4) point of interconnection. First, we disagree with the IMM's claim that PJM's proposal raises queue jumping concerns. Although the Replacement Generation Interconnection process provides an opportunity for qualifying Replacement Generation Resources to proceed under a faster timeline than generating facilities in PJM's standard generator interconnection process, we find that an expedited process is just and reasonable and not unduly discriminatory or preferential because Replacement Generation Resources are not similarly situated to new generating facilities, as discussed above.<sup>108</sup>

44. Second, we disagree with the IMM's arguments regarding how the instant filing relates to the broader resource adequacy needs in the PJM region. Under FPA section 205, PJM is required to demonstrate that its proposal is just and reasonable and not unduly discriminatory or preferential, and for the reasons discussed above, we find that PJM has made such a demonstration. PJM is not required to demonstrate that previous proposals accepted by the Commission that also address resource adequacy issues are insufficient. Additionally, as noted in the August 2025 Order, many aspects of PJM's

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provides flexibility for project developers, and noted PJM's statement that these "types of situations for which milestone extensions can be granted tend to be fact-specific and are hard to predict, and accordingly it is not practical to spell out all circumstances in which an extension may be granted." *PJM Interconnection, L.L.C.*, 181 FERC ¶ 61,162, at P 115 (2022). Additionally, the Commission has stated that, while PJM's exercise of discretion under milestone extension provisions must be just and reasonable and is subject to Commission review, PJM is not obligated to extend project milestone dates. *See PJM Interconnection, L.L.C.*, 187 FERC ¶ 61,118, at P 82 (2024); *PJM Interconnection, L.L.C.*, 178 FERC ¶ 61,089, at P 43 (2022); *PJM Interconnection, L.L.C.*, 170 FERC ¶ 61,087, at P 33 (2022).

<sup>107</sup> Proposed Tariff, Part VIII, Subpart J, § 437(A)(6)(d).

<sup>108</sup> *See supra* PP 40-41; *see also MISO*, 167 FERC ¶ 61,146 at P 63 (finding that owners of generating facilities with an existing GIA seeking to replace and retire those facilities are not similarly situated to developers of new resources for the purpose of obtaining interconnection service in MISO).

proposed Replacement Generation Interconnection process are substantially similar to the features of generator replacement processes that the Commission has accepted as just and reasonable in other regions.<sup>109</sup>

45. Third, we disagree with the IMM's claim that PJM's proposal raises market power concerns by permitting current owners of capacity resources to sell their CIRs to new developers at higher prices. As PJM explains, the existing Tariff already provides owners of deactivating generating facilities with the opportunity to use or transfer CIRs from those facilities and that they or the CIR transferee may request interconnection of a replacement generating facility through PJM's clustered cycle process.<sup>110</sup> This filing simply establishes an expedited review process for Replacement Generation Resources interconnecting at the same location as a deactivating generating facility that would not change the voltage or maximum generation output at that location.<sup>111</sup> Nothing in the instant filing would modify the existing rights to transfer CIRs or the transfer process.

46. Last, we do not share the IMM's concern with the element of PJM's proposal that allows replacement generation to use different points of interconnection.<sup>112</sup> PJM's proposal requires the Replacement Generation Resource "to interconnect to the PJM Transmission System at the same substation (the electrical bus to which the Replacement Generation Resource is connecting must be the same bus or an electrically equivalent bus) and at the same voltage as the deactivating Generating Facility."<sup>113</sup> The Commission recently approved a similar proposal in MISO to allow interconnection customers to use a different point of interconnection for a replacement generating facility where, as here, the interconnection customer can demonstrate that the new point of interconnection is electrically equivalent to the original point of interconnection and that the change in the point of interconnection does not cause a material adverse impact on the

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<sup>109</sup> See August 2025 Order, 192 FERC ¶ 61,137 at 42 (citing *MISO*, 167 FERC ¶ 61,146 at PP 8-13; *SPP*, 171 FERC ¶ 61,270 at PP 4-5).

<sup>110</sup> PJM Answer at 7 (citing Tariff, Part VI, Subpart C, § 230.3.3; *id.* Part VII, Subpart E, §§ 328(C)(3)-(4); *id.* Part VIII, Subpart E, §§ 426(C)(3)-(4)).

<sup>111</sup> Proposed Tariff, Part VIII, Subpart J, §§ 437(A)(4)-(5).

<sup>112</sup> IMM Answer at 3-4.

<sup>113</sup> Proposed Tariff, Part VIII, Subpart J, § 437(A)(4).

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transmissions system.<sup>114</sup> Consistent with the Commission’s finding with respect to MISO’s proposal, we find here that PJM’s proposal would facilitate the more cost-effective and timely replacement of existing generating facilities, which will help address regional resource adequacy needs and allow interconnection customers to avoid investing in redundant infrastructure.<sup>115</sup>

The Commission orders:

PJM’s Tariff revisions are hereby accepted, effective January 30, 2026, as discussed in the body of this order.

By the Commission.

( S E A L )

Carlos D. Clay,  
Deputy Secretary.

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<sup>114</sup> *Midcontinent Indep. Sys. Operator, Inc.*, 191 FERC ¶ 61,154, at PP 1, 47-48 (2025) (“We do not believe that providing this limited flexibility to Replacement Generating Facilities to interconnect at a different, but electrically equivalent, point of interconnection results in an unduly discriminatory interconnection process . . .”).

<sup>115</sup> *Id.* at P 44.

## Appendix – Tariff Records

### PJM Interconnection, L.L.C. Intra-PJM Tariffs

- [400 R, OATT 400 Definitions R \(6.1.0\)](http://etariff.ferc.gov/TariffSectionDetails.aspx?tid=1731&sid=365715),  
<http://etariff.ferc.gov/TariffSectionDetails.aspx?tid=1731&sid=365715>
- [412, OATT Part VIII.E 412 Assignment of Project Identifier \(2.1.0\)](http://etariff.ferc.gov/TariffSectionDetails.aspx?tid=1731&sid=365716),  
<http://etariff.ferc.gov/TariffSectionDetails.aspx?tid=1731&sid=365716>
- [426, OATT Part VIII.E 426 Capacity Interconnection Rights \(3.1.0\)](http://etariff.ferc.gov/TariffSectionDetails.aspx?tid=1731&sid=365717),  
<http://etariff.ferc.gov/TariffSectionDetails.aspx?tid=1731&sid=365717>
- [432, OATT Part VIII.E 432 Transmission Provider Website Postings \(2.1.0\)](http://etariff.ferc.gov/TariffSectionDetails.aspx?tid=1731&sid=365718),  
<http://etariff.ferc.gov/TariffSectionDetails.aspx?tid=1731&sid=365718>
- [VIII Subpart J, OATT VIII Subpart J REPLACEMENT GENERATION INTERCONNECTION \(1.1.0\)](http://etariff.ferc.gov/TariffSectionDetails.aspx?tid=1731&sid=365719),  
<http://etariff.ferc.gov/TariffSectionDetails.aspx?tid=1731&sid=365719>
- [437, OATT Part VIII.J 437 Replacement Generation Interconnection \(1.1.0\)](http://etariff.ferc.gov/TariffSectionDetails.aspx?tid=1731&sid=365720),  
<http://etariff.ferc.gov/TariffSectionDetails.aspx?tid=1731&sid=365720>
- [438 - 499, OATT Part VIII 438 - 499 Reserved \(4.1.0\)](http://etariff.ferc.gov/TariffSectionDetails.aspx?tid=1731&sid=365721),  
<http://etariff.ferc.gov/TariffSectionDetails.aspx?tid=1731&sid=365721>
- [IX.B GIA Appx-Sched, OATT Part IX.B GIA Appendices and Schedules \(4.1.0\)](http://etariff.ferc.gov/TariffSectionDetails.aspx?tid=1731&sid=365722),  
<http://etariff.ferc.gov/TariffSectionDetails.aspx?tid=1731&sid=365722>
- [IX.B GIA Schedule M, OATT Part IX.B GIA Schedule M \(1.1.0\)](http://etariff.ferc.gov/TariffSectionDetails.aspx?tid=1731&sid=365723),  
<http://etariff.ferc.gov/TariffSectionDetails.aspx?tid=1731&sid=365723>
- [IX Subpart N, OATT IX Subpart N FORM OF REPLACEMENT GENERATION INTERCONNEC \(1.1.0\)](http://etariff.ferc.gov/TariffSectionDetails.aspx?tid=1731&sid=365724),  
<http://etariff.ferc.gov/TariffSectionDetails.aspx?tid=1731&sid=365724>

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