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

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| Atlantic City Electric Company | ) | Docket No. ER24-2888-000 |
| Baltimore Gas and Electric Company | ) | Docket No. ER24-2889-000 |
| Commonwealth Edison Company | ) | Docket No. ER24-2890-000 |
| Delmarva Power & Light Company | ) | Docket No. ER24-2891-000 |
| PECO Energy Company | ) | Docket No. ER24-2893-000 |
| Potomac Electric Power Company | ) | Docket No. ER24-2894-000 |

# MOTION TO INTERVENE AND PROTEST OF THE MARYLAND LABOR GROUP

Pursuant to Rules 211, 212, and 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. §§ 385.211, 212, 214, the Maryland Labor Group[1] hereby moves to intervene and protests the above-captioned tariff filings submitted by Atlantic City Electric Company, Baltimore Gas and Electric Company, Commonwealth Edison Company, Delmarva Power & Light Company, PECO Energy Company, and Potomac Electric Company (together, the "Exelon Utilities"). The Commission should promptly reject each of the filings.

## I. BACKGROUND

After about a decade of relatively flat demand for electricity, Artificial Intelligence (AI) and other technological innovations are poised to drive robust growth in the years ahead. A recent report suggests that electricity demand from data centers alone—the facilities that house the IT

[1] The Maryland Labor Group is comprised of the Mid Atlantic Pipe Trades Association (of the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada), the International Brotherhood of Electrical Workers Local 26, and the Iron Workers District Council of the Mid Atlantic States.

infrastructure necessary to support AI applications, data systems, and much of our digital economy—will grow 160% by 2030.[2] According to the same report, data centers will consume 8% of total electricity in the U.S. by 2030, up from just 3% in 2022.[3]

This rapid expansion surely presents several challenges. It also presents opportunity: the proliferation of data centers means economic growth and jobs for the communities that embrace them. The question is not whether data center growth will materialize but rather *when* and *where* such infrastructure will get built.

The proposal at issue in this proceeding speaks directly to that question. The Exelon Utilities propose to classify all load, including load that does not consume power from the transmission system, as "Network Load," thus forcing all such load to pay the Exelon Utilities for transmission service they do not use.[4] As explained below, the Maryland Labor Group respectfully asks the Commission to consider the big picture impact of this proposal and reject it as unjust, unreasonable and unduly discriminatory and preferential.

## II. MOTION TO INTERVENE

The Maryland Labor Group is an ad hoc association of various skilled local construction trade labor organizations. Members of the Maryland Labor Group are highly trained professionals who fabricate, install, and service various energy and technology-related equipment and systems. These activities include constructing, servicing, and operating a wide range of facilities, including power plants, factories, data centers, public buildings, and other facilities throughout the footprint

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[2] AI is poised to drive 160% increase in data center power demand | Goldman Sachs

[3] *Id.*

[4] We note that Exelon submitted additional filings in these dockets on September 27, 2024, attempting to clarify that the filings are intended to apply only to certain loads co-locating with generators. *See Motion for Leave to Answer of the Exelon Utilities*, Docket Nos. ER24-2888, et al. (Sept. 27, 2024). However, Exelon's original filings remain pending and have not yet been addressed by the Commission. Regardless, even if Exelon's more recent version is to be considered and operates on a limited basis as Exelon suggests, that would render Exelon's filings discriminatory and preferential.

of PJM Interconnection, L.L.C. ("PJM"). The Maryland Labor Group will be directly affected by the outcome of this proceeding, and its interests cannot be represented adequately by any other party. Accordingly, the Maryland Labor Group respectfully moves to intervene in the above-captioned proceedings.

## III. PROTEST

While the Exelon Utilities characterize their proposal as a mere "clarification," the reality is far less benign. If approved by the Commission, these tariff changes would impact the cost, timing, and location of the data center development in the pipeline. The Commission should not allow the Exelon Utilities to use their control over the grid to undermine economic development.

The current PJM rules allow large loads such as data centers to co-locate at the site of an existing generator and receive power directly from the generator—not the grid. This configuration is an attractive alternative for large loads for a number of reasons. The first is timing: interconnecting a large load to the grid can take considerable time given the need to study the load's impact on the wider system.[5] These delays are not expected to improve any time soon as the number of large loads seeking to connect increases. Co-location of load "behind-the-meter," by contrast, provides an attractive alternative. By connecting directly to a generator and not consuming power from the transmission system, the timeline for getting a new project online can be expedited considerably. At the same time, PJM requires studies and any necessary system improvements to be built before any co-located load can be sited at a generator, ensuring a supervised process and grid reliability.

A second consideration is cost. Data centers are large end-users of electricity, with power costs representing a meaningful share of a facility's cost of operation. The co-location option

[5] *See, e.g.*, Virginia Data Centers Face Seven-Year Wait for Power Hookups, Dominion Says - Bloomberg.

allows the customer to negotiate directly with the generation owner and avoid using the transmission system to limit costs typically associated with receiving grid power, including transmission costs.

The "clarification" advanced by the Exelon Utilities would undermine the co-location alternative in the Exelon service territories. All loads, including co-located data centers with infrastructure in place to ensure *no power is consumed from the transmission system*, would have to pay the Exelon Utilities for transmission service. For example, if a 400 MW data center co-locates with a large generating facility for its power needs, the data center would be required to pay for transmission service for the full 400 MW of load, even if 0 MW of the data center's load is ever served by the transmission system.

Such a result does not pass the simple logic test. It also would discourage developers of large load projects from choosing to locate in the service territories of the Exelon Utilities. The cost increase for the customer would undermine much of the advantage for considering the co-location alternative, and large load developers are likely to take their opportunities elsewhere and their economic development and jobs with them.[6]

## IV. CONCLUSION

The Maryland Labor Group respectfully requests that the Commission reject the Exelon Utilities' proposals in this docket. Each filing purports to merely clarify the current rules but actually changes the status quo significantly. If accepted, the proposals would undermine the co-location alternative that shows promise for economic development and growth in the region.

[6] And to the extent Exelon's filings would target only co-located data centers or some limited subset of load purchasing from a generator the load is directly connected with, Exelon provides no justification for treating such load different from other load using a substantially similar connection configuration.

Respectfully submitted,

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Dated: October 2, 2024

## CERTIFICATE OF SERVICE

I hereby certify that I have on this 2nd day of October, 2024, caused to be served a copy of the foregoing upon all parties on the service list in these proceedings in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2010.

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