

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

	)	
Conetoe II Solar, LLC	)	EC26-13-000
Pumpjack Solar I, LLC	)	
Rio Bravo Solar I, LLC	)	
Rio Bravo Solar II, LLC	)	
Seville Solar One LLC	)	
Seville Solar Two, LLC	)	
Tallbear Seville LLC	)	
Shoreham Solar Commons LLC	)	
Wildwood Solar I, LLC	)	
Wildwood Solar II, LLC	)	

COMMENTS OF THE INDEPENDENT MARKET MONITOR FOR PJM

Pursuant to Rule 211 of the Commission’s Rules and Regulations,¹ Monitoring Analytics, LLC, acting in its capacity as the Independent Market Monitor (“Market Monitor”) for PJM Interconnection, L.L.C. (“PJM”),² submits these comments responding to the filing submitted by Conetoe II Solar, LLC; Pumpjack Solar I, LLC; Rio Bravo Solar I, LLC; Rio Bravo Solar II, LLC; Seville Solar One LLC; Seville Solar Two, LLC; Shoreham Solar Commons LLC; Tallbear Seville LLC; Wildwood Solar I, LLC; and Wildwood Solar II, LLC (collectively, “Applicants”) on October 20, 2025 (“October 20th Filing”), requesting approval of a proposed transaction under Section 203 of the Federal Power Act.

¹ 18 CFR § 385.211 (2025).

² Capitalized terms used herein and not otherwise defined have the meaning used in the PJM Open Access Transmission Tariff (“OATT”), the PJM Operating Agreement (“OA”) or the PJM Reliability Assurance Agreement (“RAA”).

The October 20th Filing requests approval of the transactions in which BlackRock, Inc. (“BlackRock”) will acquire controlling ownership in 249.9 MW of generation, of which, the 80 MW Conetoe II Solar is a market participant in the PJM market. BlackRock, Inc. is a publicly traded, global investment and financial asset company with trillions of dollars of assets under management.³ BlackRock has blanket authorization from FERC to acquire up to 20 percent of the voting securities of any utility without need for approval under Section 203 of the Federal Power Act.^{4 5} BlackRock cannot exercise management of day to day operations of any utility it owns under this blanket authorization. However, BlackRock would exercise management of day to day operations of the assets purchased under this Transaction as it does under previous transactions.⁶ BlackRock need not exercise day to day management of its blanket authorization resources to exercise market power. This Transaction would increase BlackRock’s position from 3,768.8 MW to 3,848.8 MW in the PJM market in resources that are not subject to the limitations of the blanket authorization rules.

Specifically, through this transaction:

- (i) Cardinal Purchaser LLC (“Clearway Buyer 1”) will indirectly acquire all of the non-passive indirect ownership interests in Shoreham Solar Commons LLC and all of the issued and outstanding ownership interests in Conetoe II Solar LLC (“Clearway Acquisition”) and
- (ii) Cardinal JV Purchaser LLC (“Clearway Buyer 2”), Fengate Cardinal Blocker LLC (“Fengate Buyer 1”) and Fengate Yield (VCOC) UBTI Blocker LLC (collectively, the “JV Buyers”) will indirectly acquire all of the issued and outstanding ownership interests in each of Pumpjack Solar I, LLC; Rio Bravo Solar I, LLC; Rio Bravo Solar II, LLC; Seville Solar One LLC; Seville Solar Two, LLC; Wildwood Solar I, LLC; and Wildwood Solar II, LLC, as well as 49 percent

³ See BlackRock, Inc., SEC Form 10K, Annual Report (February 25, 2025).

⁴ See *BlackRock, Inc.*, Docket Nos. EC16-77-004 and EC25-12-000.

⁵ See *BlackRock, Inc.*, 191 FERC ¶ 61,052 (2025)

⁶ See Global Infrastructure Management, LLC; BlackRock, Inc., 188 FERC ¶ 61,166 (2024); ALLETE, Inc.; Alloy Parent LLC, 189 FERC ¶ 61,215 (2024).

of the issued and outstanding ownership interests in Tallbear Seville LLC (the remaining 51 percent is owned by a private individual) (“Clearway-Fengate Acquisition”)

Collectively the Clearway Acquisition and the Clearway-Fengate Acquisition are the “Transactions.” The subsidiaries acquired by Clearway Buyer 1 in the proposed Clearway Acquisition own and operate solar powered qualifying facilities (“QFs”) in PJM and NYISO that are subject to regulation under FPA section 203 and also own and operate solar powered QFs in PJM, AZPS, TEPC, FPC, DUK, and CPL that Applicants claim are exempt from regulation under FPA section 203.^{7 8} The subsidiaries acquired by Clearway Buyer 2 in the proposed Clearway-Fengate Acquisition own and operate solar powered QFs in CAISO, SPP and IID that are subject to regulation under FPA section 203 and also own and operate solar powered QFs in CAISO, PSCO, and SPP that Applicants claim are exempt from regulation under FPA section 203.

Through many layers of intermediary holding companies Clearway Buyer 1 and Clearway Buyer 2 are owned by TotalEnergies SE (“TotalEnergies”) and BlackRock, Inc (“BlackRock”) through its subsidiary Global Infrastructure Management, LLC (“Global Infrastructure”). Clearway Energy Group, LLC (“Clearway Group”) is an indirect upstream parent of Clearway Buyer 1 and Clearway Buyer 2. Clearway Group is wholly owned by GIP III Zephyr Acquisition Partners, L.P (“Acquisition Partners”) which itself is owned by Zephyr Acquisition Holdings, L.P (“Zephyr Holdings”). Subsidiaries of BlackRock and TotalEnergies each own 50 percent of the equity interests of Zephyr Holdings. Subsidiaries of BlackRock are the general partners for both Acquisition Partners and Zephyr Holdings, which enables

⁷ See 18 CFR Part 292.

⁸ The other solar powered QFs are located in the balancing areas of Arizona Public Service Company (“AZPS”), Tucson Electric Power Company (“TEPC”), Duke Energy Florida (“FPC”), Duke Energy Carolina (“DUK”), Duke Energy Progress (“CPL”), California ISO (“CAISO”), Imperial Irrigation District (“IID”), Public Service Company of Colorado (“PSCO”), and Southwest Power Pool (“SPP”).

BlackRock to control day to day management of Zephyr Holdings and ultimately the public utilities of Clearway Group.

Clearway Buyer 1 and Clearway Buyer 2 are affiliated with generation owners in PJM, CAISO, AZPS, PSCO, SPP, TEPC. Clearway Buyer 1 and Clearway Buyer 2 are affiliated with owners of a total of 3,867.8 MW of generation, including solar powered, wind powered, and natural gas fired generation in PJM. In PJM, through BlackRock, Clearway Buyer 1 and Clearway Buyer 2 are affiliated with 3,214.0 MW including Blue Moon Energy, a 70 MW solar powered facility, Lackawanna Energy Center, a 1,499 MW natural gas fired facility and Guernsey Power Station, a 1,875 MW natural gas fired facility (“BlackRock Affiliates”).⁹ In PJM, through TotalEnergies, Clearway Buyer 1 and Clearway Buyer 2 are affiliated with 99.0 MW including Clinton Solar, a 50 MW solar powered facility, and Montpelier Solar, a 49 MW solar powered facility that is under development (“TotalEnergies Affiliates”).¹⁰ Through Clearway Group (which is ultimately owned by BlackRock and TotalEnergies), Clearway Buyer 1 and Clearway Buyer 2 are affiliated, in PJM, with 554.8 MW including Mount Storm Wind, a 264 MW wind powered facility, Black Rock Wind Force, a 115 MW wind powered facility, Dan’s Mountain Wind Force, a 54.9 MW wind powered facility, Forward WindPower, a 29.4 MW wind powered facility, Lookout WindPower, a 37.8 MW wind powered facility, and Pinnacle Wind, a 53.7 MW wind powered facility (“Clearway Group Affiliates”). After the transaction, BlackRock would be affiliated with 3,848.8 MW in PJM and TotalEnergies would be affiliated with 733.8 MW of generation in PJM.

The Market Monitor opposes the Transaction because it is inconsistent with the blanket authorization for BlackRock approved by the Commission.

⁹ On October 7, 2025 The Commission authorized the sale of Guernsey Power to Talen Generation, LLC. Once this transaction is consummated BlackRock and Applicants will no longer be affiliated with Guernsey Power Station. *See Guernsey Power Station LLC, et al.*, 193 FERC ¶ 61,115 (2025).

¹⁰ *See Clinton Solar LLC; Montpelier Solar, LLC*, Section 203 Application, Docket No. EC26-12-000 (October 17, 2025).

I. COMMENTS

A. BlackRock's Combination of Ownership through Blanket Authorization and Controlling Positions Creates Market Power.

The Commission stated that the current regulation governing blanket authorizations sufficiently ensures that “Applicants are not able to influence or exert control over the public utilities in which they hold interests” in its recent reauthorization order for BlackRock’s blanket authorization.¹¹ However, after this Transaction, BlackRock would be able to control Conetoe II Solar and its output because the ownership of Conetoe II Solar would not be under BlackRock’s blanket authorization. Market decisions for Conetoe II Solar could affect prices in PJM to the benefit of other assets held by BlackRock through blanket authorizations. Although BlackRock may not be able to exert control over the public utilities in which it holds interests pursuant to blanket authorizations, BlackRock could influence the output decisions of Conetoe II Solar based on nonpublic information obtained from those other utilities.

The Commission has previously recognized the growing influence of large investment companies.¹² According to the Quarterly Filing BlackRock submitted on August 13, 2025, BlackRock holds interests in 202 public utilities, 68 of which participate in PJM, as identified by the Market Monitor.¹³ For example, BlackRock owns 11.27 percent of Exelon Corporation (“Exelon”) and 10.04 percent of Public Service Enterprise Group (“PSEG”), both of which are major market participants in PJM. Regardless of the degree of formal control BlackRock holds in those utilities, BlackRock has access to nonpublic operational or commercial information from Exelon or PSEG and its ownership of Conetoe II Solar must be evaluated in light of that information access and the resulting potential to influence market outcomes.

¹¹ See *BlackRock, Inc.*, 192 FERC ¶ 61,125 at P16 (2025).

¹² See Federal Power Act Section 203 Blanket Authorizations for Investment Companies, 185 FERC ¶ 61,192 at P 8 (2023).

¹³ See *BlackRock, Inc.*, Docket Nos. EC16-77-004 and EC25-12-000 Quarterly Filing, Appendix A.

BlackRock is currently an owner in 3,768.8 MW of PJM generation outside the scope of its blanket authorization. While the Transaction is a small increase in that market position, it furthers BlackRock's controlling holdings that undermine its argument that it can be a passive owner in the blanket authorization assets in the market. The Transaction provides the Commission an opportunity to clarify that a blanket authorization and controlling interests in market participants should not be permitted to coexist in a single company like BlackRock because such a combination is inconsistent with the purpose of blanket authorizations.

In BlackRock's latest blanket authorization order, the Commission stated (at P 40):

While BlackRock's concurrent holdings do not invalidate their Blanket Authorizations, we have some concern that the breadth of Applicants' holdings under their Blanket Authorizations, along with their growing controlling holdings in GIM, ALLETE and other public utility assets, may allow for a novel degree of influence over both their non-controlling and controlling holdings... While we grant the requested Reauthorization, we remain concerned about Applicants' high ownership shares in energy markets nationally. We will continue to consider in Applicants' Blanket Authorization proceedings the extent of Applicants' holdings.¹⁴

The Commission also raised concerns with BlackRock's growing market position outside of its blanket authorizations in the order approving the acquisition of Global Infrastructure Management.¹⁵

Allowing BlackRock to own controlling shares in any assets in PJM undermines the purpose of blanket authorizations. Blanket authorizations are intended for owners that make commitments to remain passive in the markets. By purchasing shares in Conetone II Solar outside the blanket authorizations process, BlackRock is not a passive owner in PJM assets.

¹⁴ *BlackRock, Inc.*, 191 FERC ¶ 61,052 at P 40 (2025).

¹⁵ See *Global Infrastructure Management, LLC; BlackRock, Inc.*, 188 FERC ¶ 61,166 at PP 3–4 (Christie, Comm'r, concurring) (2024).

B. Applicants' Ownership in Data Centers Creates the Potential for the Exercise of Market Power.

In a separate transaction, TotalEnergies is requesting Commission approval to sell 50 percent of the TotalEnergies Affiliates to a subsidiary of the private equity fund manager, KKR & Co. Inc. ("KKR").¹⁶ While KKR would not be an upstream parent of Applicants, funds managed by KKR and BlackRock own CyrusOne, Inc. ("CyrusOne"), one of the leading data center operators in the world. CyrusOne operates 10 data centers within the PJM footprint. In addition, on October 15, 2025, BlackRock's affiliate, Global Infrastructure Partners ("GIP") announced that it will acquire Aligned Data Centers, a data center operator with 24 data centers across the US, including 6 data centers in PJM footprint.¹⁷ The bilateral sale of an existing generation facility to a data center, regardless of the structure of the transaction or even if structured as an internal arrangement, effectively removes that generation capacity from the market, raising market power concerns that are directly relevant to the Commission's review under Section 203. In the order approving Blackstone's acquisition of Potomac Energy Center, the Commission determined that the removal of the resource from generating capacity in the destination market within one year of the transaction's completion constitutes a material change in circumstances from what was originally represented.¹⁸ As a result, the applicants are required to notify the Commission within 30 days of the change and include a statement from PJM regarding any potential reliability impacts of the facility's

¹⁶ See *Clinton Solar LLC; Montpelier Solar, LLC*, Section 203 Application, Docket No. EC26-12-000 (October 17, 2025).

¹⁷ AI Infrastructure Partnership (AIP), MGX, and BlackRock's Global Infrastructure Partners (GIP) to Acquire All Equity in Aligned Data Centers, October 15, 2025, <<https://www.global-infra.com/news/ai-infrastructure-partnership-aip-mgx-and-blackrocks-global-infrastructure-partners-gip-to-acquire-all-equity-in-aligned-data-centers/>>.

¹⁸ See *Potomac Energy Center, LLC, et al.*, 192 FERC ¶ 61,091 at P 103 (2025).

removal.¹⁹ As BlackRock's involvement in data center development creates the same concern, the same notification requirements should be applied to Applicants.

C. If the Transaction is Approved, Behavioral Conditions Are Necessary to Reduce the Probability that the Transaction Will Result in the Exercise of Market Power.

The Market Monitor opposes approval of the Transaction. If the Commission decides to approve the Transaction, the Market Monitor recommends the following behavioral conditions in order to reduce the probability that market power is exercised as a result of the Transaction:

1. A commitment, for Conetoe II Solar, to limit price-based offers to a markup no greater than \$1 per MWh to help prevent the exercise of aggregate and local market power in the energy market.
2. A commitment, for Conetoe II Solar, to submit capacity market offers that do not exceed net avoidable costs will help ensure that capacity market offers are competitive, even if the PJM market rules change.
3. A commitment from Clearway Group and BlackRock to not remove resources from the PJM market to serve data center load unless explicitly permitted by Commission policy, will help prevent the exercise of market power through withholding.

¹⁹ See id.

II. CONCLUSION

The Market Monitor respectfully requests that the Commission afford due consideration to this pleading as the Commission resolves the issues raised in this proceeding.

Respectfully submitted,



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November 10, 2025

CERTIFICATE OF SERVICE

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

Dated at Eagleville, Pennsylvania,
this 10th day of November, 2025.



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