

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

Grays Harbor Energy LLC)	
Hardee Power Partners Limited)	EC26-67-000
Invenergy Cannon Falls LLC)	
Invenergy Nelson LLC)	
Invenergy Nelson Expansion LLC)	
Lackawanna Energy Center LLC)	
Spindle Hill Energy LLC)	
Switched On, 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 on February 27, 2026 (“February 27th Filing”) relating to SoftBank Group Corp.’s (“SoftBank”) acquisition of DigitalBridge Group, Inc. (“DigitalBridge”).

DigitalBridge controls InfraBridge North America Thermal Power Acquisition, LLC (“InfraBridge”), which owns 50 percent of Invenergy AMPCI Thermal Power LLC (“IA Thermal Power”), which wholly or partially owns each of the following public utilities (“IA Thermal Power Utilities”): Grays Harbor Energy LLC (“Grays Harbor”), Hardee Power Partners Limited (“Hardee Power”), Invenergy Cannon Falls LLC (“Cannon Falls”),

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”).

Invenergy Nelson LLC (“Nelson”) (in PJM), Invenergy Nelson Expansion LLC (“Nelson Expansion”) (in PJM), Lackawanna Energy Center LLC (“Lackawanna”) (in PJM), and Spindle Hill Energy LLC (“Spindle Hill”). The remaining 50 percent of the ownership interest in IA Thermal Power is owned by Invenergy Clean Power LLC (“ICP”). DigitalBridge also owns a majority of Switched On, LLC (“Switched On”), a power marketer with market based rate authority in all U.S. regions. The IA Thermal Power utilities together with Switched On constitute the “Digital Bridge Public Utilities” or “Applicants”.³

The February 27th Filing requests authorization for the proposed transaction through which Duncan Holdco LLC (“Duncan Holdco”), a subsidiary of SoftBank, will acquire DigitalBridge which will result in joint ownership of the IA Thermal Power utilities by SoftBank and Invenergy.⁴ The transaction results in an upstream ownership change for Nelson, Nelson Expansion, and Lackawanna’s 2,524.8 MW of generation assets in the PJM market, along with generation assets in other balancing areas.

The February 27th Filing does not address the recently announced plan by ArcLight to buy InfraBridge’s share of IA Thermal Power.⁵ The announced ArcLight transaction would make the present transaction irrelevant by substituting ArcLight for SoftBank.

The February 27th Filing does not make clear all of the ownership and affiliation details among the applicants. The February 27th Filing fails to clarify whether, under new ownership

³ DigitalBridge controls 60 percent of Switched On and the 40 percent of Switched On is controlled by IFM Global Infrastructure Fund which is an investment vehicle of IFM Investors Pty Ltd (“IFM Investors”) that is owned by 15 Australian and one U.K. pension fund. IFM Investors’ 40 percent ownership in Switched On is not affected by the proposed transaction. See <<https://www.ifminvestors.com/about-us/our-heritage/our-distinct-ownership/>> for IFM Investors.

⁴ See 18 CFR 35.36(a)(9) for definition of Affiliate.

⁵ “ArcLight to Acquire InfraBridge’s 50% Stake in 5.4 GW Power Portfolio,” (accessed on March 16, 2026) <<https://www.businesswire.com/news/home/20260311462798/en/ArcLight-to-Acquire-InfraBridges-50-Stake-in-5.4-GW-Power-Portfolio>> ; “ArcLight to buy InfraBridge’s stake in North American power assets,” (accessed on March 16, 2026) <<https://finance.yahoo.com/news/arclight-buy-infrabridge-stake-north-110539134.html>>.

by data center investors, the applicants will propose to remove the PJM units in the transaction, Nelson, Nelson Expansion, and Lackawanna, from the PJM Capacity Market to serve data center load.

The Market Monitor recommends that the Transaction be rejected until the Applicants clarify the details of the ArcLight transaction. The ArcLight transaction would require a different type of review given that ArcLight owns generation assets in PJM.

The Market Monitor recommends that the Transaction be rejected and that Applicants be required to resubmit the 203 application clarifying the missing ownership and affiliation details.

The Market Monitor recommends that the Transaction be rejected and that Applicants be required to affirm that their plan for the DigitalBridge Public Utilities does not include removal of generation assets from the PJM capacity market to serve data center load.

I. COMMENTS

A. Clarification Request

To provide sufficient details and transparency about DigitalBridge Public Utilities and their ownership and control relationships, Applicants should be required to provide the following information:

1. The February 27th Filing states (at 8) that IA Thermal Power “wholly” owns Nelson and Nelson Expansion, and “partially” owns Lackawanna and that there is an unaffiliated investor that owns equity interest in Lackawanna. However, Simplified Pre- and Post-Transaction Organization Charts (Exhibit C-1 and Exhibit C-2) show an unaffiliated outside investor with 72.18 percent voting interest in Invenergy Thermal Operating I Holdings LLC (“Invenergy Operating”), which is described as a parent company of Nelson and Nelson Expansion, while not indicating other partial owners for Lackawanna. This inconsistency between the text of the application and the organizational charts requires explanation.

Applicants should be required to state whether Nelson and Nelson Expansion are wholly owned by IA Thermal Power through Invenergy Operating.

Applicants should be required to identify the unaffiliated outside investor of Invenergy Operating and its ultimate parent company.

Applicants should be required to identify the other partial owner(s) of Lackawanna and identify all ultimate upstream partial owners.

2. The February 27th Filing states (at 10) that Duncan Holdco is a wholly owned “indirect” subsidiary of SoftBank.

Applicants should be required to clarify all the intermediary entities that are between SoftBank and Duncan Holdco.

Applicants should be required to confirm that those intermediary entities are not holding companies or public utilities.⁶

3. Recent public reports state that ArcLight Capital Partners (“ArcLight”) will purchase InfraBridge’s 50 percent ownership in IA Thermal Power (“ArcLight Transaction”). In effect, ArcLight would replace SoftBank as the purchaser of the assets at issue in the transaction proposed in this filing. Applicants should be required to confirm or deny the ArcLight transaction and clarify any connection between the proposed transaction and the ArcLight transaction. Applicants should be required to clarify whether there were any communications between SoftBank and ArcLight prior to the February 27th Filing.

Applicants should be required to clarify whether SoftBank had expected that it would have only temporary ownership in DigitalBridge Public Utilities before submitting the February 27th Filing.

⁶ See 18 CFR 366.1 for the definitions of holding company and public utility.

Applicants should be required to clarify which entity will control the daily operation of DigitalBridge Public Utilities after the proposed transaction and before the ArcLight transaction, and after the proposed transaction and after the ArcLight transaction.

B. Applicants Should Commit to Keep Existing Capacity in the PJM Capacity Market.

The Transaction involves a data center investor purchasing existing PJM capacity. The 2027/2028 Base Residual Auction ("BRA") resulted in a capacity procurement shortfall, falling below PJM's installed reserve margin for the second time in successive auctions.⁷ All capacity in PJM was pivotal prior to the current extreme conditions in the capacity market. The current market shortage conditions due to growing data center load amplify that market power by making every individual capacity resource pivotal.⁸

The potential removal of existing capacity from the capacity market by Applicants would have a negative impact on the competitiveness of PJM markets. The potential removal of existing capacity from the capacity market by Applicants would have a negative impact on the rates paid by the customers in PJM markets. The Market Monitor has documented and quantified the negative impact of data center loads on the competitiveness of the capacity market and on the prices in the capacity market for PJM customers in reports on the last three Base Residual Auctions.⁹ The Market Monitor has documented and quantified the negative

⁷ See Analysis of the 2027/2028 RPM Base Residual Auction – Part A (“2027/2028 BRA Report–Part A”) (January 5, 2026) <https://www.monitoringanalytics.com/reports/Reports/2026/IMM_Analysis_of_the_20272028_RPM_Base_Residual_Auction_Part_A_20260105.pdf>.

⁸ See Market Monitor Comments in Docket Nos. EC25-148, EC25-151, EC26-13, EC26-31, EC26-39, EC26-58.

⁹ See all Monitoring Analytics, LLC, See “Analysis of the 2025/2026 RPM Base Residual Auction - Part A,” (September 20, 2024) <https://www.monitoringanalytics.com/reports/Reports/2024/IMM_Analysis_of_the_20252026_RPM_Base_Residual_Auction_Part_A_20240920.pdf>, See “Analysis of the 2025/2026 RPM Base Residual Auction - Part B,” (October 15, 2024)

impact of data center loads removing capacity from the capacity market on the competitiveness of the energy market and prices in the energy market.¹⁰ Removal of capacity from the capacity market would make PJM less reliable. The fact that PJM is already short of its reliability target and that PJM faces very significant levels of forecast data center load makes this reliability impact an even greater risk. Allowing the removal of capacity to serve data center load shifts the costs and risks of data centers from data centers to all other PJM

<https://www.monitoringanalytics.com/reports/Reports/2024/IMM_Analysis_of_the_20252026_RPM_Base_Residual_Auction_Part_B_20241015.pdf>; “Analysis of the 2025/2026 RPM Base Residual Auction - Part C,” (October 15, 2024) <https://www.monitoringanalytics.com/reports/Reports/2024/IMM_Analysis_of_the_20252026_RPM_Base_Residual_Auction_Part_C_20241106.pdf>; “Analysis of the 2025/2026 RPM Base Residual Auction - Part D,” (December 6, 2024) <https://www.monitoringanalytics.com/reports/Reports/2024/IMM_Analysis_of_the_20252026_RPM_Base_Residual_Auction_Part_D_20241206.pdf>; “Analysis of the 2025/2026 RPM Base Residual Auction - Part E,” (January 31, 2025). <https://www.monitoringanalytics.com/reports/Reports/2025/IMM_Analysis_of_the_20252026_RPM_Base_Residual_Auction_Part_E_20250131.pdf>; “Analysis of the 2025/2026 RPM Base Residual Auction - Part F,” (February 4, 2025) <https://www.monitoringanalytics.com/reports/Reports/2025/IMM_Analysis_of_the_20252026_RPM_Base_Residual_Auction_Part_F_20250204.pdf>; “Analysis of the 2025/2026 RPM Base Residual Auction - Part G Revised,” (June 3, 2025); <https://www.monitoringanalytics.com/reports/Reports/2025/IMM_Analysis_of_the_20252026_RPM_Base_Residual_Auction_Part_G_20250603_Revised.pdf>; “Analysis of the 2025/2026 RPM Base Residual Auction - Part H,” (July 31, 2025) <https://www.monitoringanalytics.com/reports/Reports/2025/IMM_Analysis_of_the_20252026_RPM_Base_Residual_Auction_Part_H_20250731.pdf>; “Analysis of the 2026/2027 RPM Base Residual Auction - Part A,” (October 1, 2025) <https://www.monitoringanalytics.com/reports/Reports/2025/IMM_Analysis_of_the_20262027_RPM_Base_Residual_Auction_Part_A_20251001.pdf>; “Analysis of the 2026/2027 RPM Base Residual Auction - Part B,” (March 3, 2026) <https://www.monitoringanalytics.com/reports/Reports/2026/IMM_Analysis_of_the_20262027_RPM_Base_Residual_Auction_Part_B_20260303.pdf>...

¹⁰ See Monitoring Analytics, LLC “*Potential Impacts of the Creation of Maryland FRRs*,” <http://www.monitoringanalytics.com/reports/Reports/2020/IMM_Potential_Impacts_of_the_Creation_of_Maryland_FRRs_20200416.pdf> (April 16, 2020). Comments to the Maryland PSC Senate Bill 1 Co-location Study Administrative Docket PC 61 (September 24, 2024); <https://www.monitoringanalytics.com/filings/2024/IMM_Comments_MDPSC_PC61_20240924.pdf>; Supplemental Comments to the Maryland PSC Senate Bill 1 Co-location Study Administrative Docket PC 61 (December 13, 2024). <https://www.monitoringanalytics.com/filings/2024/IMM_Supplemental_Comments_re_MDPSC_PC61_Co_Located_Load_20241213.pdf>;

customers. This is inconsistent with the policy goal of ensuring that data centers do not impose their costs and risks on customers.¹¹

The current rules in the PJM tariff do not explicitly address the removal of capacity resources from the capacity market to serve data center load. PJM staff have publicly stated that the deactivation rules do not apply to the removal of resources to serve data center load.¹²

SoftBank is one of the largest investors in AI infrastructure in the U.S. and recently announced that it will build a 9.2 GW natural gas power facility in Ohio.¹³ DigitalBridge has also invested in numerous data center operators, including one investment with ArcLight.¹⁴ Approval of the Transaction brings existing generation under the control of Softbank, creating new opportunity for SoftBank to remove capacity from the capacity market to serve data centers. The Transaction cannot be approved as consistent with the public interest while ignoring the adverse impact to competition and to rates, including the prices paid by customers for capacity, energy and transmission. The Market Monitor has calculated the cost impact on customers of removing capacity to serve data center loads.¹⁶ Competitive market power screens are not relevant to the specific market power issue of removing existing

¹¹ See National Energy Dominance Council, Statement of Principles Regarding PJM (January 16, 2026), <<https://www.energy.gov/documents/statement-principles-regarding-pjm>> (“Principles”).

¹² See PJM, Co-Located Load Order Workshop (March 18, 2026) <<https://www.pjm.com/committees-and-groups/workshops/cllsc>>.

¹³ See SoftBank Group, Press Releases, (September 24, 2025) OpenAI, Oracle, and SoftBank expand Stargate with five new AI data center sites <<https://group.softbank/en/news/press/20250924>>; Fact Sheet: U.S. – Japan Trade Deal <<https://www.commerce.gov/news/fact-sheets/2026/02/fact-sheet-us-japan-trade-deal>>.

¹⁴ See DigitalBridge’s portfolio at <<https://www.digitalbridge.com/business/digital-equity>>.

¹⁵ See Takanock Secures \$500 Million Commitment from ArcLight and DigitalBridge (June 25, 2025) <<https://www.digitalbridge.com/news/2025-06-25-takanock-secures-500-million-commitment-from-arclight-and-digitalbridge>>.

¹⁶ See 2027/2028 BRA Report–Part A. This report likely understates the impact of actually removing capacity to serve data center load rather than adding forecast data center load to the market.

resources from the markets to serve data center load and, therefore, cannot be relied on to support a presumption that market power is lacking or to reasonably shift the burden of proof away from the Applicants. The Applicants have not addressed this issue, have provided no analysis of the potential financial impact, have made no statement about plans to serve data centers, and have not proposed mitigation.¹⁷

The Commission's new co-location rules create a special framework for transmission service for a range of load configurations, but these new rules do not approve or address the removal of existing resources from the market to serve data center load and the associated adverse reliability and affordability impacts on existing customers.¹⁸

The Transaction enhances Softbank's ability to exercise market power adverse to competition and adverse to rates, and those adverse impacts on competition and rates cannot be ignored in this proceeding.

SoftBank and DigitalBridge should be required to state that they will not remove the capacity owned by DigitalBridge Public Utilities from the PJM Capacity Market to serve data center load. The White House Ratepayer Protection Pledge and the Principles issued by the National Energy Dominance Council and the PJM Governors make explicit that new data center load should be met by new generation.¹⁹ Removing this capacity from the PJM Capacity Market would be directly counter to the Pledge and the Principles, would shift risks and costs to PJM customers, would have a negative impact on PJM competitive markets, and would not be consistent with the public interest.²⁰

¹⁷ See 18 CFR § 33.2.

¹⁸ See *PJM Interconnection, L.L.C.*, 193 FERC ¶ 61,217 (2025).

¹⁹ See White House, "Ratepayer Protection Pledge Proclamation," (March 4, 2026), <<https://www.whitehouse.gov/presidential-actions/2026/03/ratepayer-protection-pledge-proclamation/>> accessed March 20, 2026 ("Pledge").

²⁰ See National Energy Dominance Council, Statement of Principles Regarding PJM (January 16, 2026), <<https://www.energy.gov/documents/statement-principles-regarding-pjm>> ("Principles").

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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Dated: March 20, 2026

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 20th day of March, 2026.



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