

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

	)
Arrow Canyon Solar, LLC	)
BigBeau Solar, LLC	)
Copenhagen Wind Farm LLC	)
Desert Harvest, LLC	)
Desert Harvest II LLC	)
Desert Quartzite, LLC	)
EDF Spring Field WPC, LLC	)
Fenton Power Partners I, LLC	)
Fox Squirrel Solar LLC	)
Great Western Wind Energy, LLC	)
Kelly Creek Wind, LLC	)
Maverick Solar, LLC	)
Maverick Solar 4, LLC	)
Maverick Solar 6, LLC	)
Maverick Solar 7, LLC	)
Milligan 1 Wind LLC	)
Milagro Solar I, LLC	)
Morris Ridge Solar Energy Center, LLC	)
Pacific Wind Lessee, LLC	)
Pilot Hill Wind, LLC	)
Shiloh Wind Project 2, LLC	)
Shiloh III Lessee, LLC	)
Slate Creek Wind Project, LLC	)
Spearville 3, LLC	)
Spinning Spur Wind LLC	)
Stoneray Power Partners LLC	)
Wapsipinicon Wind Project, LLC	)
KKR Lafayette Buyer, Inc.	)
	)

Docket No. EC26-151-000

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 on August 12th, 2026 ("August 12th Filing"), requesting approval of a proposed transaction under Section 203 of the Federal Power Act in which KKR will acquire EDF's renewable energy operations and assets in North America. The August 12th Filing requests approval of a proposed transaction ("Transaction") in which KKR Lafayette Buyer, Inc. ("KKR Buyer"), controlled by KKR & Co. Inc. ("KKR"), will purchase 100 percent of the equity interest in EDF power solutions, Inc. ("EDFps") and EDF power solutions Canada Inc. from EDF power solutions SA ("EDF"). Applicants in the August 12th Filing are EDFps and KKR Buyer ("Applicants"). KKR has a significant investment in data center development, and the Transaction creates the risk that capacity will be removed from the PJM market to serve data center load, contrary to the public interest.³ The Market Monitor recommends that the Transaction not be approved unless KKR commits to keep the EDF capacity in the PJM markets.

EDF owns 938 MW of generation in PJM. KKR owns 543 MW of generation in PJM including planned generation. The affiliates of EDF in PJM that are subject to the Transaction ("EDF Project Companies") are: EDF Spring Field WPC, LLC ("EDF Spring Field"), Fox Squirrel Solar LLC ("Fox Squirrel"), Kelly Creek Wind, LLC ("Kelly Creek"), and Pilot Hill Wind, LLC ("Pilot Hill"). The total generation capacity of the EDF Project Companies is 938

¹ 18 CFR § 385.211 (2026).

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").

³ See, e.g., KKR.com, "Here's the Deal: Cyrus One," <<https://www.kkr.com/invest/portfolio/heres-the-deal/cyrusone>>.

MW. The August 12th Filing states that Fox Squirrel owns and operates a 577 MW solar facility in Madison County, Ohio and sells all of its output to Amazon Energy LLC pursuant to three separate PPAs, one ending in 2043 and two ending in 2044; that Kelly Creek owns and operates an 184 MW wind facility in Kankakee and Ford Counties, Illinois and sells all of its output to Indiana Michigan Power Company under a PPA ending in May 2036; that Pilot Hill owns and operates a 176.9 MW wind facility in Kankakee and Iroquois Counties, Illinois and sells all of its output to Microsoft under a PPA ending in 2035.

KKR wholly owns Energy Center Paxton LLC (“Paxton”) and Three Rivers District Energy, LLC (“Three Rivers”), and owns 50 percent of Clinton Solar LLC (“Clinton Solar”) and Montpelier Solar, LLC (“Montpelier Solar”) in PJM (Together “KKR Affiliates”).⁴ The total generation capacity of KKR Affiliates is 133 MW. According to Exhibit SEC-3 of the August 12th Filing, KKR is affiliated with another 10 MW of generation that is not discussed in detail in the August 12th Filing. This includes Duquesne University Energy Center, Energy Center Princeton Hospital, and Energy Center Lancaster. According to Exhibit SEC-3 of the August 12th Filing, KKR also plans to own a new 400 MW of generation (“Anticipated Capacity Expansion”). The exact location of this resource is unknown although the Exhibit SEC-3 of the August 12th Filing suggests that the expanded capacity will be located in the PJM West submarket. In total, KKR is affiliated with 143 MW of generation in PJM, with plans to increase to 543 MW of generation in PJM. On October 12, 2026, KKR also announced plans to add 700 MW of generation in Texas and Ohio.⁵ It is unclear what portion of the 700 MW

⁴ For KKR ownership in Paxton and Three Rivers see Triennial Market Power Analysis for Northeast Region of Energy Center Paxton LLC, et al. under ER19-842, et al. (December 31, 2025); For KKR ownership in Clinton Solar and Montpelier Solar, see *Clinton Solar LLC et al.* 193 FERC ¶ 62,161 (2025). The remaining 50 percent of Clinton Solar and Montpelier Solar is owned by TotalEnergies SE.

⁵ See TotalEnergies Expands its Joint Venture with KKR with the Addition of a 700 MW Renewables Portfolio (October 12, 2026) TotalEnergies <<https://totalenergies.com/newsroom/etats-unis-totalenergies-etend-sa-coentreprise-avec-krk-avec-lajout-dun-portefeuille-de-700-mw-de-renouvelables-506845/?lang=eng>>.

addition will be in PJM and it is unclear whether the PJM portion of the 700 MW addition is included in the Anticipated Capacity Expansion.

KKR is one of the largest private equity firms in the world and is also a co-owner of CyrusOne Inc. (“CyrusOne”), a global hyperscale data center developer, together with Global Infrastructure Partners (“GIP”) which is owned by BlackRock, Inc. (“BlackRock”).⁶ According to its website, CyrusOne currently operates multiple data centers in PJM with 398 MW capacity plus two data centers in development.⁷ KKR also launched a data center developer, Helix Digital Infrastructure, with the Kuwait Investment Authority (“KIA”), NVIDIA Corporation (“NVIDIA”) and Vistra Corp. (“Vistra”) in June 2026.⁸ In addition, KKR is a part of the strategic partnerships led by NVIDIA with Apollo Global Management, Inc., BlackRock, Inc., Blackstone Inc., Brookfield Corporation, and the Goldman Sachs Group, Inc. “to mobilize over \$500 billion ... for the buildout of AI infrastructure over time.”⁹

KKR’s presence in the PJM market is growing as both a data center developer and a generation owner. The essential point that the filing does not clarify is exactly how KKR will use its capacity in PJM in the future or use its wide network of direct and indirect ownership and partnerships in PJM. Applicants do not explain whether KKR intends to use the capacity to serve data center load directly or whether KKR intends to keep the capacity and energy in the PJM markets. The lack of such detail in the filing highlights the need for conditions in any

⁶ See The 2026 PEI 300 ranking (June 1, 2026) Private Equity International <<https://www.privateequityinternational.com/pei-300/>> for private equity ranking; See also CyrusOne Inc. Form 8-K. U.S. Securities and Exchange Commission (November 15, 2021). <<https://www.sec.gov/Archives/edgar/data/1553023/000095015721001169/form8-k.htm>> for CyrusOne acquisition.

⁷ See CyrusOne Inc. Data Centers, North America <<https://www.cyrusone.com/data-centers>>.

⁸ See KKR Launches Helix Digital Infrastructure, a New Company to Finance and Deliver the Next Generation of AI Infrastructure (June 11, 2026) <https://media.kkr.com/news-details?news_id=6a26acd6-83b8-4377-84be-b1dadb847806>.

⁹ See Goldman Sachs and KKR to Establish AI Compute Infrastructure Financing Platforms to Mobilize Over \$500 Billion of Third-Party Capital (August 10, 2026) <https://media.kkr.com/news-details?news_id=2fdd2c1c-a052-4552-aa58-90d7a3d997e0>.

approval that ensure that the capacity and energy will not be removed from the PJM markets at this critical time in PJM.

I. COMMENTS

Removing the capacity from the market would be a form of withholding. Physical withholding through uneconomic retirement or to directly serve data center load are among possible mechanisms to exercise market power. The acquisition of generation assets by KKR in the Transaction creates a clear potential for this form of withholding by removing the generation from the PJM capacity and energy markets and dedicating the generation to serve its own data center load. The result would be to make the PJM markets less competitive and increase costs for other customers. The Market Monitor recommends that the Transaction be approved only with the condition that the full generation capacity and associated energy of EDF Project Companies stay in the PJM markets. The Transaction as filed creates the clear potential that market power will be exercised. As a result, the application has not been shown to be consistent with the public interest. The Transaction should not be approved without a commitment from KKR not to remove the EDF Project Companies' capacity and energy from the PJM markets to serve data center load.

KKR is one of the biggest investors in data centers and related infrastructure developments, in the world and in the PJM region. KKR's role in data centers creates the potential that KKR could attempt to remove their generation from the PJM markets in order to directly serve data center loads. Such arrangements threaten the reliability and economics of the PJM market by making the PJM markets even shorter and less reliable than they are now.

The Market Monitor recognizes that all the EDF Project Companies are under PPAs. However, the existence of these PPAs does not guarantee that the associated resources will remain in the PJM Capacity Market. No applicable law or regulation prohibits them from amending or terminating the PPAs, or from designating the capacity to directly serve data center load.

The impact on competition and reliability of the massive and sudden growth of load from data centers is the most critical issue affecting PJM markets and the public interest in competitive outcomes today. A comprehensive solution has not been defined. In the meantime, consolidation in the markets continues and is evaluated transaction by transaction. The Commission was in a similar situation in 1996 when it adopted the Merger Policy Statement.¹⁰ Open access was the overriding issue at that time, and the Commission exercised its conditioning authority to make open access a condition for approval of mergers.¹¹ The Commission's conditioning authority can and should be invoked today to address a new issue requiring priority attention. The condition recommended by the Market Monitor, a commitment to not remove resources from the PJM markets to directly serve data centers is less burdensome than the requirement to provide open access was in the mid 1990s. Applicants have provided no information on how the inclusion of such a commitment would affect their plans, if at all.

The 2026/2027, 2027/2028 and 2028/2029 Base Residual Auctions ("BRAs") resulted in capacity procurement shortfalls, falling below PJM's installed reserve margin in three

¹⁰ See *Inquiry Concerning the Commission's Merger Policy under the Federal Power Act: Policy Statement*, Order No. 592, 61 Fed. Reg. 68,595 (1996), FERC Stats. & Regs. ¶ 31,044 (1996), *reconsideration denied*, Order No. 592-A, 62 Fed. Reg. 33341, 79 FERC P61,321 (1997) ("Merger Policy Statement").

¹¹ See, e.g., 16 U.S.C. § 824b; Merger Policy Statement at 68598 ("The Commission's interpretation of the public interest standard has never been static. ... [O]ur view of what it takes to mitigate market power sufficiently to allow approval of a merger had evolved over time. We pointed out that as the industry had become more competitive, we began examining market power in transmission more closely, and that comparable access was now required. ... [W]hile in the past we had focused only on increases in market power, we no longer believed that we could find any merger to be consistent with the public interest, whether or not the merger created increased market power, unless the merging utilities provided open access. We adopted this revised view of the public interest in light of EPAct's goal of encouraging greater wholesale competition and the significant increase in actual competition."), citing *El Paso Electric Company and Central and Southwest Services Inc.*, 68 FERC ¶ 61,181 61,914–15 (1994), *dismissed*, 72 FERC ¶ 61,292 (1995).

successive auctions.^{12 13} Capacity owners in PJM were pivotal in RPM auctions, with only minor exceptions, prior to the current extreme conditions in the capacity market. The current market shortage conditions due to growing data center load have amplified that market power by making every owner of capacity pivotal.¹⁴

The removal of existing capacity from the capacity market by KKR would be a form of withholding and result in PJM market prices that exceed the competitive level. 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 the last three BRAs.¹⁵ The Market Monitor has also documented and quantified

¹² 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>.

¹³ See PJM, L.L.C., 2028/2029 Base Residual Auction Report, (July 14, 2026), <<https://www.pjm.com/-/media/DotCom/markets-ops/rpm/rpm-auction-info/2028-2029/2028-2029-bra-results-report.pdf>>.

¹⁴ See Market Monitor Comments in Docket Nos. EC25-148, EC25-151, EC26-13, EC26-31, EC26-39, EC26-58.

¹⁵ See Monitoring Analytics, LLC, “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>; “Analysis of the 2025/2026 RPM Base Residual Auction—Part B,” (October 15, 2024) <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>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/>>

the negative impact of data center loads removing capacity from the capacity market on the competitiveness of the capacity and energy markets and prices in the capacity and energy markets.¹⁶ There is, thus, significant evidence in the record showing the adverse impact on competition in the capacity market and in the energy market that would result from the removal of resources from the markets to serve data centers. Removal of capacity from the capacity market would also 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 would shift the costs and risks of data centers to other PJM customers. This is inconsistent with the policy goal of ensuring that data centers do not impose their costs and risks on other customers.¹⁷

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. Although the Market Monitor does not agree, PJM staff have publicly stated that the deactivation rules that define the PJM analysis and the Market Monitor analysis of proposed deactivations and their conclusions do

[*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>.

¹⁶ See Monitoring Analytics, LLC 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>;

¹⁷ See National Energy Dominance Council, Statement of Principles Regarding PJM (January 16, 2026), <<https://www.energy.gov/documents/statement-principles-regarding-pjm>> (“Principles”).

not apply to the removal of resources to serve data center load.¹⁸ For example, if the deactivation rules do not apply, PJM does not have to make a reliability determination and the Market Monitor does not have to make a market power determination. For example, if the deactivation rules do not apply, there are no rules governing Section V (RMR) status for resources that would exit the market to serve data center load.

The scope of this proceeding does not include revising or supplementing PJM's market rules. The PJM market rules define the context within which the impact of the Transaction must be evaluated.¹⁹ The existing rules do not address or mitigate the potential adverse impact on competition from the removal of resources from the markets to serve data center loads, a reasonably foreseeable consequence of the Transaction. A commitment by the Applicants to not remove resources from the PJM markets to serve data centers could address this issue, protect the public interest and would have no impact on the Applicants if they have no plans to engage in this behavior. Agreement to this condition would be a sign of good faith by KKR as to its intentions in the PJM markets and broadly consistent with the Pledge and Principles.

KKR should be required to agree that KKR will not remove any assets 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

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

¹⁹ See Merger Policy Statement at 68598 ("We believe that if the Commission is to fulfill its statutory responsibilities, it must determine what is consistent with the public interest in light of conditions in the electric industry in general as well as the specific circumstances presented by a proposed merger. In an era of traditional, cost-of-service based regulation, the Commission defined its public interest responsibilities consistent with that structure. Today, we believe that the public interest requires policies that do not impede the development of vibrant, fully competitive generation markets. We are refining our analysis of the effects of proposed mergers on competition in order to protect the public interest in the development of such highly competitive markets....").

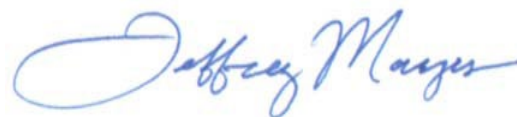
center load should be met by new generation.^{20 21} Removing this capacity from the PJM Capacity Market would be directly counter to the Pledge and the Principles, would shift risks and costs to PJM customers, would have a negative impact on PJM competitive markets, and therefore would not be consistent with the public interest as the Commission has defined it.²²

The Market Monitor recommends that the Transaction be approved only with the condition that the full generation capacity of EDF Project Companies stays in the PJM markets. The Transaction as filed does not provide assurance that market power will not be exercised.

II. CONCLUSION

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

Respectfully submitted,



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²⁰ 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").

²¹ See National Energy Dominance Council, Statement of Principles Regarding PJM (January 16, 2026), <<https://www.energy.gov/documents/statement-principles-regarding-pjm>> ("Principles").

²² See Merger Policy Statement *passim*.

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Dated: October 13, 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 13th day of October, 2026.



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