

Capacity Obligations for Forecasted Large Load Adjustments

Summary of Revisions to Problem Statement & Issue Charge

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Summary of Issue

- New data centers, and other emerging large-load industries, are driving significant forecasted load growth in certain areas of PJM.
 - These forecasted large load additions are incremental to the PJM Load Forecast
- These forecasted large load additions are leading to **an issue with the assignment of capacity obligations within a zone for future delivery years.**
 - Under the existing process, the capacity obligation is spread across all the LSEs within the zone.
 - This can create a misalignment in the capacity obligations and associated cost impacts of the forecasted load addition.
- AEP and Dominion are sponsoring a Problem Statement and Issue Charge **to narrowly examine more accurately assigning the capacity obligation** for forecasted large, geographically concentrated load additions.
- This matter is not intended to consider changes or otherwise impact any aspects of load forecasting or other elements of the capacity construct.

Revisions to the Issue Charge

- Modified issue name and scope language from “Additions” to “Adjustments” to recognize a solution may address large load *reductions* as well as additions.
- Added language in scope to clarify that the issue charge will consider if changes are needed to both appropriate assignment between RPM markets and FRR obligations and appropriate assignment among specific load serving entities.
- Modified Decision-Making Method to reflect CBIR process.
- Modified estimated duration of work to four months.
- Added language to recognize the potential challenges with implementing changes for the 2025/2026 Delivery Year; however, this remains the target.

Thank you for your support of the Issue Charge

Opportunity for further questions

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