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PJM Board Outlines Plans To Integrate Large Loads Reliably

Proposals would balance system needs with affordability for consumers

(Valley Forge, PA – Jan. 16, 2026) – The PJM Board of Managers today outlined a series of actions to be taken by PJM and its stakeholders in 2026 to address the multiple challenges of integrating new data centers and other large load customers onto the grid while preserving electricity system reliability and affordability for the 67 million people PJM serves.

The Board's announcement represents the culmination of an accelerated stakeholder process that produced 12 proposals. The depth and quality of concepts advanced in that process informed the Board's decision, which incorporates ideas drawn from multiple proposals.

The [plan detailed by the Board](#) includes proposals to be filed directly with the Federal Energy Regulatory Commission; changes in PJM's policies and procedures that can be made immediately; and proposed stakeholder processes to inform the Board on complex but equally urgent issues.

The Board's course of action will address the need for new power generation that can come online quickly and is coupled with options for new load customers whose electricity demand can be curtailed in times of system need. Both of these goals will also help address the supply-and-demand imbalance that has the potential to threaten grid reliability and is currently driving up wholesale costs that can impact consumer bills. The Board proposes:

- Significant load forecasting improvements and increased role for states
- Avenues for new large loads to bring their own new generation or enter into a connect and manage framework subject to earlier curtailment
- Creation of an accelerated interconnection track for state-sponsored generation projects
- Immediate initiation of a backstop generation procurement process to address short-term reliability needs
- A review of PJM markets to assess how they can best work in combination to support investment

"This decision is about how PJM integrates large new loads in a way that preserves reliability for customers while creating a predictable, transparent path for growth," said David Mills, PJM Board Chair and Interim President and CEO. "This is not a yes/no to data centers. This is 'How can we do this while keeping the lights on and recognizing the impact on consumers at the same time?' We look forward to implementing, along with our stakeholders, these proposals to manage the phenomenal demand growth we are experiencing."

The PJM Board will seek additional feedback from its stakeholders before deciding whether to extend the price floor and ceiling, also known as a "price collar," that was in place for the last two auctions to the 28/29 and 29/30 auctions in light of the holistic market review it has asked the PJM Staff to perform in 2026.

The Board's decision drew upon multiple proposals put forth by stakeholders during the Critical Issue Fast Path for Large Loads in the second half of 2025. While stakeholders did not come to consensus on any of 12 proposals, the



detailed analyses presented throughout the process helped the Board create a comprehensive package that reflects a broad array of solutions.

The Board, in its letter, describes the interim nature of the some of the actions taken until the region's supply/demand balance and reserve margins have been restored. PJM will continue to engage stakeholders, regulators, and policymakers as implementation details are refined and as load growth continues to evolve.

"PJM is establishing clear, transparent guardrails for integrating large new loads under defined conditions," said Stu Bresler, PJM Chief Operating Officer. "This proposed course of action will require intense work by all of us in 2026 and involve significant changes, but it's clear that bold action will be required to support the positive growth that is happening throughout the PJM region and the nation."

PJM Interconnection, founded in 1927, ensures the reliability of the high-voltage electric power system serving 67 million people in all or parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia and the District of Columbia. PJM coordinates and directs the operation of the region's transmission grid, which includes 88,333 miles of transmission lines; administers a competitive wholesale electricity market; and plans regional transmission expansion improvements to maintain grid reliability and relieve congestion. PJM's regional grid and market operations produce annual savings of \$3.2 billion to \$4 billion. For the latest news about PJM, visit PJM Inside Lines at insidelines.pjm.com.

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