

A Reliability Framework for Rapid Large Load Growth

PJM Proposes Interim Resource Adequacy Service for Extreme Grid Conditions

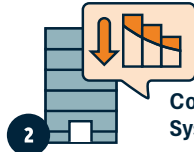
Maintaining grid reliability is PJM’s core responsibility. Electricity demand is growing far faster than new power supplies. To help protect residential and existing customers from power outages during severe heat or cold or other extreme conditions, Interim Resource Adequacy Service (IRAS) would provide a path for data centers and other Large Load customers to connect to the grid without sacrificing reliable electrical service for the rest of the system. New Large Loads that don’t bring enough electricity generation to power their operations would reduce their electricity use ahead of other customers, consistent with the Ratepayer Protection Pledge’s commitment of “contributing to electric and community resilience.” PJM filed the IRAS proposal with the Federal Energy Regulatory Commission on Aug. 13, 2026.

► New Emergency Tools Help Keep the Lights On



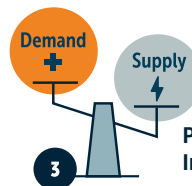
System Reserves Tightening

Power supplies are running low. PJM notifies utilities to prepare to reduce demand from Large Load customers.



Coordination Eases System Strain

PJM instructs utilities to reduce power use in their area. Under IRAS, certain new Large Loads would be curtailed before other customers.



Power Supplies Increase

Generators serving Large Load customers are now available for other customers in affected areas.



More Power for People

The risk of power outages for residential customers and others is reduced.

Large Load Registry Supports Transparency, Accountability

PJM would create and maintain a Large Load Registry to track all Large Loads, existing and new. PJM defines Large Loads as those with a combined peak demand of 50 MW or more. PJM would make this information available to states, utilities and regulators, subject to confidentiality requirements.

The Large Load Registry would track size, location, in-service date, backup generation (if applicable), fuel type and more.

This data helps:

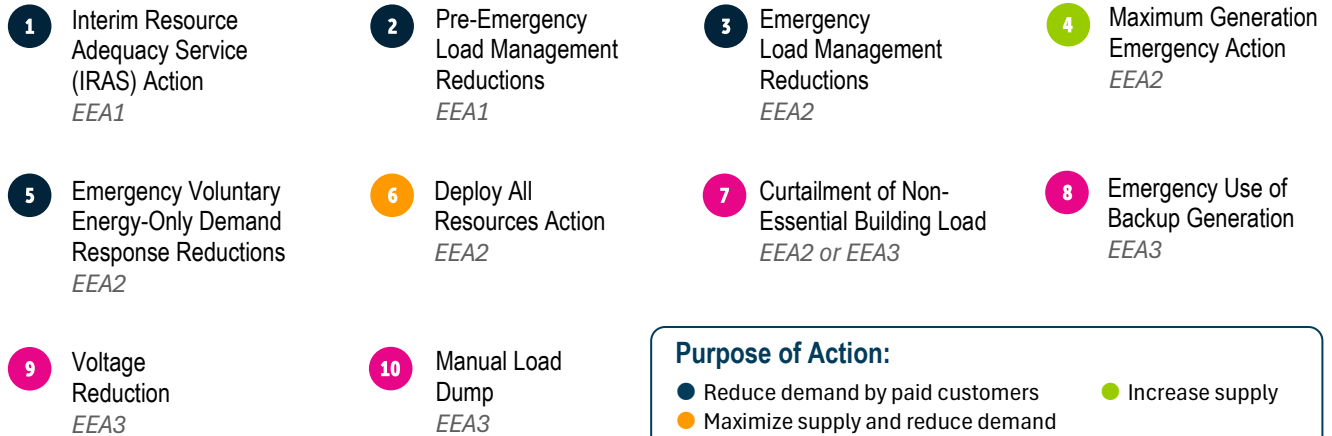
- Inform PJM of where and how much power may need to be reduced in each utility service area. States and utilities identify which Large Loads are affected.
- Improve PJM load forecast accuracy.
- Inform how states may assign retail costs within affected areas.

New Emergency Procedure

When electricity supply on the grid approaches dangerously low levels, a new emergency procedure would notify utilities to reduce or transfer the electricity demand from new Large Load customers ahead of any action that would shut off traditional consumers, including residential consumers. Large Loads equipped with backup generation could switch to their backup generators.



► IRAS in the Chain of Emergency Actions



Planning the Grid To Manage Long-Term Costs

PJM proposed changes to how it plans for future electricity needs. PJM proposed that beginning with the 2029/2030 capacity auction, new Large Loads that do not bring their own new supply to the system not be included when calculating the future power needs to be procured in those auctions. This is also in keeping with the Ratepayer Protection Pledge that “protects Americans from higher prices.” In this way, such new Large Loads will not drive future system planning and raise wholesale costs that are ultimately paid by all users.

Credit for a New Reliability Service

When the grid is under stress and these Large Loads reduce their power usage, they may also receive credit for helping maintain grid reliability. States and their local utilities would manage how these retail costs are shared among customers in affected areas.

