

Congress of the United States

Washington, DC 20510

May 2, 2025

Mr. Mark Takahashi,
Chair, PJM Board of Managers

Mr. Manu Asthana,
President and CEO

PJM Interconnection, L.L.C.
2750 Monroe Boulevard
Audubon, PA 219043

Dear Mr. Takahashi and Mr. Asthana,

We write to express concerns over the expected electricity price increase in New Jersey, along with other states across the PJM Interconnection (PJM) territory, in the months ahead, and to request information regarding steps PJM is taking to mitigate these increases. As the regional transmission organization (RTO) for the electric grid across a 13-state region that includes New Jersey, PJM plays an essential role in ensuring capacity to maintain affordable rates for electricity customers.

The results of your most recent capacity auction in 2024 reflect the growing demand on the grid from data centers and advanced computer technology, along with an insufficient increase in new generation. As you know, there is a \$14.7 billion cost to ratepayers, which is in large part driving an expected 17 percent or greater increase in electric utility bills in New Jersey beginning June 1, 2025.

According to the U.S. Department of Energy (DOE), data centers will account for up to 12 percent of total national electricity consumption by 2028, nearly tripling from 2023 levels. Clean energy projects and battery storage are urgently needed to meet demand, lower electricity prices, and continue to reduce our carbon emissions to combat climate change. Currently, there are 268 GW of new resources ready to be added to the PJM grid—95 percent of them clean energy resources—according to analysis conducted by Lawrence Berkeley National Laboratory. Nuclear energy, including small modular reactors, also present significant opportunities for New Jersey to expand baseload carbon-free energy generation capacity.

While there are a number of complex challenges facing our region as we work together to make energy more affordable for New Jersey families, one of the most pressing is the growing backlog of energy projects to boost supply and the reforms necessary to expedite grid interconnection. We know that unlocking the interconnection queue and lowering electricity prices will require efforts from a range of entities, including federal and state partners, in concert with PJM's ongoing work. However, given PJM's central role in processing interconnection requests and the impact of the project backlog on the recent capacity auction price spike, we request prompt responses to the following series of questions related to lowering costs for New Jersey families:

1. PJM's 2022 interconnection reforms do not appear to be delivering the new capacity the region needs. What are the latest updates on efforts to reform and speed up interconnection processes and efficiently connect resources to PJM's system?
2. We know that PJM's interconnection queue is increasingly made up of a higher number of smaller-capacity projects. As PJM is still required to allow open access to the grid, what steps can PJM take to speed up the processing of this changing resource mix?
3. What reforms are PJM exploring related to expanding transmission capacity, including recognizing the capacity value of neighboring regions and removing barriers to importing capacity?
4. Prior to the upcoming capacity auction that will impact rates for New Jerseyans in 2026 and 2027, what changes has PJM effectuated to ensure that unnecessary price spikes are avoided in the near future and in the long-term?
5. Will PJM's FERC Order 1920 implementation fully incorporate New Jersey's Energy Master Plan? What steps is PJM taking to ensure that New Jersey does not pay an unfair share of transmission that benefits other states?

We appreciate your attention to this letter, and we look forward to continuing to work together on these important issues.

Sincerely,



Cory A. Booker
United States Senator



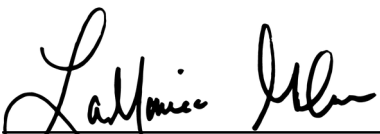
Andy Kim
United States Senator



Donald Norcross
Member of Congress



Frank Pallone, Jr.
Member of Congress



LaMonica McIver
Member of Congress



Herbert C. Conaway, Jr.
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Josh Gottheimer
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