



David E. Mills  
Chair, PJM Board of Managers

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Dear Members and Stakeholders,

This correspondence serves to convey the PJM Board of Managers' (Board's) decision within the Critical Issue Fast Path (CIFP)-DOE 202(c) Cost Allocation. The Board [initiated the CIFP](#) (PDF) on June 9 for PJM and its stakeholders to develop a cost allocation methodology to recover the costs associated with the retention of Eddystone units 3 and 4 beyond their requested deactivation date pursuant to the May 30 United States Department of Energy [Order](#)<sup>1</sup> under section 202(c) of the Federal Power Act.

First, the Board wants to express its sincere gratitude to our stakeholders for their thoughtful engagement on short notice and in a short time frame. Through this process, PJM and stakeholders offered six proposals for consideration, which allowed for vetting and hearing feedback on the various components. The proposals were similar in many aspects but differed with respect to the: (1) allocation approach (a capacity-based allocation or an energy-based allocation); (2) locational aspect (RTO-wide or allocated more specifically to constrained locations); and (3) applicability (to similar situations, for a time-limited duration, or only to the current order expiring on August 28, 2025).

The Board has instructed PJM staff to file the allocation proposal represented in package B, sponsored by Gabel Associates. Package B is the only package to receive a supermajority vote.<sup>2</sup> This package contains a capacity-based allocation methodology for RTO-wide allocation, applying solely to the current order expiring on August 28, 2025. The Board anticipates PJM will submit such filing to FERC by the end of June.

There was some discussion during the June 18 Members Committee meeting about expanding package B to apply to future DOE 202(c) orders relating to the Eddystone units; however, package B was not modified prior to the vote. The Board heard feedback from some entities that would support such an expansion, and also it heard feedback from other entities that they would not support such an expansion. After deliberating on this issue, the Board decided to support the members' voting preference for the more limited application represented in package B (i.e., unmodified).

Recognizing there may be further DOE 202(c) orders related to generating units in the PJM region in the foreseeable future, the Board is encouraged by the fact that the stakeholders have endorsed an Issue Charge to work on a cost allocation methodology for future DOE 202(c) orders that may require resources to remain operationally available beyond previously anticipated deactivation dates. PJM will announce the commencement of that stakeholder discussion in the near term. We welcome your continued participation in those discussions.

Sincerely,

David E. Mills  
Chair, PJM Board

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<sup>1</sup> [PJM Interconnection Order No. 202-25-4](#)

<sup>2</sup> See [Voting Results](#) for each package posted under the June 18, 2025, Members Committee Meeting. See also the [Matrix](#) (XLS) describing all six packages.