

To: Board of Managers, PJM Interconnection, L.L.C.

Attn: Critical Issue Fast Path (CIFP) Stakeholder Process on Large Loads and Standby Generation

From: David Gibson, GEO*ESG Solutions

Date: November 10, 2025

Subject: Objection to the Use of CIFP Authority and Request for Clarification on Standby Generation Policy for Data Centers

Dear Members of the PJM Board,

I write to object to PJM's decision to invoke the **Critical Issue Fast Path (CIFP)** process to address large-load growth and data-center standby generation. While the stated intent is to preserve system reliability, the fast-track approach circumvents the transparent, evidence-based stakeholder deliberation that such a profound rule change demands.

By concentrating rulemaking power within an accelerated, limited-access process, PJM risks establishing policy that will permanently restructure interconnection rights, cost allocation, and reliability standards for an entire class of customers — without proper vetting by state regulators, utilities, environmental agencies, or affected communities. The CIFP process, as framed, appears designed to expedite new load accommodation for hyperscale data centers rather than balance the broader public-interest goals of reliability, sustainability, and cost equity.

Accordingly, before any proposed rule or tariff revisions are advanced to FERC, PJM should answer the following questions on the record.

1. Classification & Interconnection of Standby Generation

- How does PJM currently classify onsite standby generation at data centers — as behind-the-meter load reduction, distributed energy resource (DER), or as a generation resource requiring interconnection rights?
- Will the forthcoming CIFP rules explicitly define standby or “dual-use” generation (used both for emergency backup and grid support)?
- What interconnection study or queue process will apply to data-center standby systems capable of grid export or frequency support?
- Will PJM adopt a simplified interconnection process for standby units used solely for non-export reliability functions?

2. Reliability & Resource Adequacy Criteria

- How will PJM’s reliability criteria treat large data-center loads that maintain onsite standby or microgrid capability — can such facilities be credited for local reliability support?
- What performance standards or testing requirements will apply to standby generators that are counted toward local reliability?
- Will PJM’s resource adequacy assessments begin to include “negative load” contributions from standby assets or flexible data-center operations?
- How will PJM ensure that local standby assets reduce, rather than exacerbate, reliability risk in constrained transmission zones?

3. Coordination Between PJM, Utilities, and States

- What framework will govern coordination between PJM, state regulators, and distribution utilities in determining when and how standby generation may operate?
- How will PJM harmonize its rules with state-level standby tariffs, interconnection procedures, and environmental permitting?
- Will PJM establish joint planning processes with states and utilities to manage clusters of high-load, high-standby data-center developments?

4. Emissions, Sustainability, and Technology Transition

- How will PJM’s CIFP process account for emissions and fuel types used in standby generation (diesel, gas, hydrogen, renewable fuels)?
- Will PJM provide guidance or incentives for low-carbon standby technologies such as hydrogen-ready turbines or hybrid battery systems?
- Is PJM coordinating with state environmental agencies to align reliability and climate objectives for large-load facilities with onsite generation?

5. Market Participation and Dispatchability

- Under what circumstances can data-center standby generation participate in PJM energy, capacity, or ancillary service markets?
- Will PJM consider market mechanisms to compensate data centers that make standby assets available for reliability dispatch or demand-response aggregation?
- How will PJM address metering, telemetry, and control requirements for standby units that transition between isolated and grid-connected modes?

6. Cost Allocation and Grid Infrastructure

- How will PJM allocate transmission and reliability upgrade costs associated with concentrated data-center development, particularly where standby generation reduces net grid load?
- Will PJM's planning criteria differentiate between data-center sites with and without onsite generation or microgrid capability when determining transmission reinforcements?
- Could standby generation capacity be considered in local resource adequacy determinations to defer or reduce transmission expansion costs?

7. Implementation and Timeline

- What is the expected sequence of stakeholder working groups, draft proposals, and FERC filings under the CIFP timeline?
- How will PJM ensure that transitional projects (already under design or construction) are not stranded by new interconnection or reliability requirements?
- Will PJM issue interim guidance to data-center developers, utilities, and state agencies before the formal rulemaking is complete?

Conclusion

The scale and implications of these decisions warrant full transparency and deliberate evaluation. We respectfully urge PJM to suspend or modify the use of the CIFP authority for this matter and to re-route these issues through the normal stakeholder process, with adequate technical review, emissions modeling, and coordination with state and local authorities.

Thank you for your attention to these critical questions. We request written responses or a dedicated stakeholder session to address them prior to any filing with FERC.

Sincerely,

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