



David E. Mills
Chair, Board of Managers

PJM Interconnection
2750 Monroe Blvd.
Audubon, PA 19403

Via Electronic Delivery

December 11, 2025

David S. Lapp
People's Counsel
Maryland Office of People's Counsel
6 St. Paul Street, Suite 2102
Baltimore, MD 21202

Dear Mr. Lapp,

Thank you for your correspondence dated October 14, 2025, wherein the Maryland Office of People's Counsel (MPC) provides thoughts on the scale and associated risk of the large load additions in the PJM region and recommendations for PJM's development of the 2026 Long-Term Load Forecast. PJM takes seriously the concerns raised by your office regarding the region's projected increase in demand in the coming years and the resulting impacts on PJM's capacity market and transmission needs, as evidenced by our initiation of the Critical Issue Fast Path (CIFP) on this very topic with our stakeholder community. We also emphasize the importance of our load forecasting process by utilizing the most current and accurate data possible.

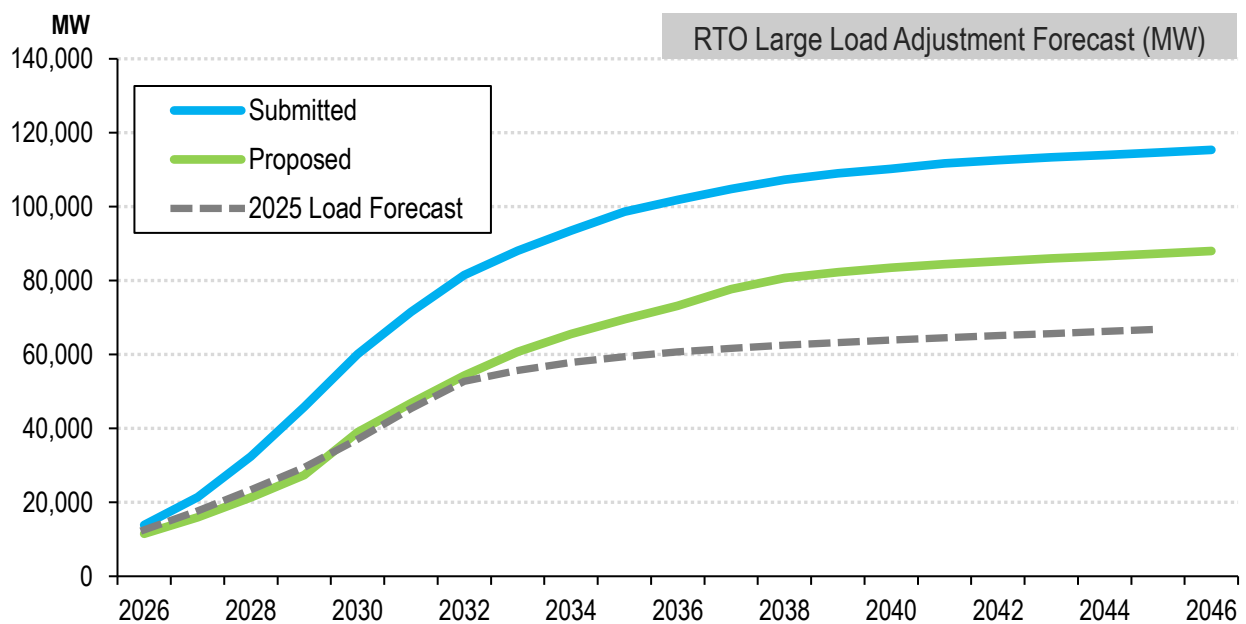
As background, to develop the load forecast, PJM annually develops a base load forecast based on energy usage trends and expected economic growth. PJM also solicits information from its member Electric Distribution Companies (EDCs) and Load Serving Entities (LSEs) for Large Load Adjustments (LLAs), representing new large loads expected to come online located in their service territories. The requested LLAs are reviewed, and those deemed appropriate by PJM will be included in PJM's annual Load Forecast, which drives both market and reliability studies.¹ PJM shares the MPC's goal that future load forecasts should reflect load growth that is likely to materialize. To that end, PJM continues to make enhancements to the load forecasting process via transparent stakeholder discussions through the Load Analysis Subcommittee (LAS) and the CIFP.

Further, to address the issue of local utilities' different review practices and procedures, PJM, in collaboration with stakeholders, created and published a Load Adjustment Request Implementation document ("Implementation Document") to provide transparency in how PJM will evaluate Large Load Adjustment requests and guidance for how to submit large load adjustments.² For example, the Implementation Document articulates that forecast submitters should present PJM with the ramp rates of these large loads, which detail the expected time horizon until full demand of the large load is brought on to the system. PJM is also instructing large load requests to include both capacity and demand values. Absent such level of detail in a submission, PJM will employ default values when evaluating LLA certainty. PJM also requests that large load adjustment submitters offer information quantifying the new customer's financial responsibility regarding certain anticipated load interconnections.

¹ [PJM Manual 19: Attachment B. Load Forecast Adjustment Guidelines](#) (PDF)

² [Load Adjustment Request Implementation](#) (PDF)

The Implementation Document seeks to enhance PJM’s analysis of the submissions by categorizing the load interconnections by certainty and assigning different probability factors for purposes of incorporating these submissions into the PJM Load Forecast. Near-term forecast years are considered to be needing “firm” commitments such as Electric Service Obligation (ESO)/Construction Commitment (CC), while longer-term projects will be considered “non-firm” and will be derated because of their greater uncertainty. PJM recently published the 2026 Large Load Adjustment Requests Summary at the November Load Analysis Subcommittee.³ Following the enhancements and newly established rules defined in the Load Adjustment Request Implementation Document, PJM’s proposed large load forecast process for this cycle resulted in a significantly lower forecast compared to the submission from the utilities as can be seen from the following chart presented at the November 24 Load Analysis Subcommittee meeting.



PJM will now finalize the large load adjustments, posting a 2026 Load Forecast Report in January.

The PJM Board agrees with the MPC that a measured approach is necessary to serve this new type of customer, given the potential impacts to future system reliability and the quantifiable impacts on PJM ratepayers. For this reason, the PJM Board initiated the CIFP in August to pursue reform based on these large load additions.⁴

³ [Load Adjustment Requests Summary for 2026 Load Forecast – Preliminary](#) (PDF)

⁴ [PJM Board Letter \(Aug. 8\), Implementation of CIFP for Large Load Additions](#) (PDF)

Recognizing the need for reliability-focused solutions, PJM presented a proposal in the CIFP process that included the following load forecasting:⁵

- **State Review:** Incorporation of an added layer of feedback into the review process on large load adjustments by the state commissions prior to finalizing the load forecast
- **Duplicative Requests:** Requirement that submitters inquire, and report to PJM accordingly, duplicative interconnection requests either within or outside of the PJM region such that only a subset of such requests are expected to achieve commercial operation
- **New LAS Requirements:**
 - Inclusion of a third-party review or industry-specific review of the PJM Load Forecast (i.e., validating regional-level forecast with national-level forecast and equipment projections)
 - Assurance by the EDC, LSE or TO that the customer nondisclosure agreements include the ability to share all information related to large loads with PJM and for such information to be shared
- **Financial Responsibility:** Consideration of financial security requirements from large load customers (or other responsible entities), whether such requirements arise from state law or related tariffs

Several stakeholders also put forth proposals with load forecasting enhancements in them. The PJM Board recognizes and appreciates the active engagement of all the stakeholders, including the Maryland Office of People's Counsel, throughout the various stages of the CIFP process. The PJM Board is carefully weighing all the solutions presented to determine its next steps.

The rapid increase in large loads has quickly presented opportunities and challenges across the nation, including within our region. We are encouraged by the progress we have made in working with our stakeholders, including the states, to identify potential paths forward that will address the unique impacts that large loads have on system reliability and costs to customers.

As always, we appreciate the Maryland Office of People's Counsel for its thoughtful engagement and input on this critical topic.

Sincerely,



David E. Mills
Chair, Board of Managers

⁵ [PJM CIPF Package Stage 3, Load Forecasting \(Slides 3–4\)](#) (PDF)