January 29, 2026

PJM Interconnection, L.L.C.
PJM Board of Managers
PJM Planning Department
2750 Monroe Boulevard
Audubon, PA 19408

Dear Members of the PJM Board of Managers and PJM Planning Staff:

NextEra Energy Transmission, LLC and Exelon Corporation (together, the "Developers") submit this supplemental information in support of Proposal 2025-W1-237 ("Proposal 237") as PJM completes its evaluation of Window 1 competitive solutions.

At its core, Proposal 237 addresses a **system-wide, structural reliability need** in the MAAC region—one that cannot be resolved through incremental upgrades or terminal-only solutions. The body of evidence before PJM and considered by its planners, including PJM's own analyses and the convergence of independent developer proposals, demonstrates that **new high-voltage backbone infrastructure is required** to maintain reliable service under plausible future conditions.

Competitive Process and Convergent Engineering Conclusions

The 2025 RTEP Window 1 process produced multiple independent proposals from experienced transmission developers. Notably, those proposals—developed independently and using different internal methodologies—reached the same conclusion: **MAAC faces severe voltage stability and transfer limitations that require new large-scale transmission facilities**, not piecemeal upgrades to the existing 500 kV system.

This convergence is significant. Developers with deep familiarity with the constrained 500 kV network consistently proposed regional solutions, confirming that localized reinforcements cannot address the underlying reliability risks.

The RTEP window was conducted in accordance with PJM governance, which provides PJM discretion over proposal-window duration. This approach is consistent with PJM precedent and sound transmission-planning practice and has been raised and adequately addressed by PJM staff in a public format. No developer challenged the appropriateness of the 60-day proposal window or requested an extension during the competitive process.

A Systemic Reliability Solution, Not an Incremental Fix

PJM's 2032 planning cases reflect overloads across more than a dozen 500 kV facilities, over 300 non-convergence contingencies, and multiple voltage-collapse risks under credible future conditions. PJM's 2026 Load Forecast identifies sustained long-term load growth across the MAAC region, with the PPL zone alone projected to add more than 3,500 MW of additional load through the early 2030s.

Proposal 237's 765 kV backbone is designed to resolve **the full scope of these deficiencies simultaneously**. Compared to incremental 500 kV upgrades, the proposed 765 kV solution provides:

- Significantly greater transfer capability
- Substantially improved voltage performance
- Enhanced resilience under contingency and outage conditions

By offloading power flows across multiple critical interfaces, Proposal 237 strengthens reliability across the APS, PENELEC, PECO, PEPCO, and PPL zones and materially improves deliverability into major eastern load centers.

Addressing Common Questions Raised in the Record

Generation and Load Uncertainty
While new generation will play an important role in meeting future demand, PJM's studies show that transmission constraints materially limit deliverability into MAAC—even when new resources are assumed. Proposal 237 improves system flexibility, supports future interconnections, and enables reliable use of both existing and future generation across the region.

Voltage Stability
Voltage stability represents the most severe reliability risk identified in PJM's analysis. Critical transfer points—including Central and West Transfer interfaces and key 500 kV corridors—exhibit voltage collapse risk under credible contingencies. These risks cannot be resolved through terminal equipment upgrades. Proposal 237 directly strengthens voltage durability across multiple interfaces and materially reduces the risk of cascading outages.

Performance Under Stressed Conditions
Proposal 237 was evaluated against a wide range of sensitivity scenarios, including high load growth, delayed resource development, extreme outage conditions, and stressed winter operations. Across these scenarios, Proposal 237 was the **only solution that consistently**

resolved both thermal and voltage-stability violations, aligning with PJM's obligation to select durable solutions that perform under stressed but plausible future conditions.

Economic and Customer Benefits

In addition to reliability benefits, Proposal 237 delivers long-term economic value by supporting load growth, enabling new generation, and improving access to lower-cost power. Strengthening the transmission backbone reduces price volatility, improves market efficiency, and lowers the risk of costly emergency operations.

Team Pennsylvania, a statewide public-private partnership whose goal is to advance PA's long-term energy and economic growth priorities, stated Project 237 will "help unlock new generation potential and support more than 10 GW of anticipated load growth." [Appendix I]

Senator Dave McCormick (R-PA) stated in the December 8, 2025 press release,[1] "This project will help deliver abundant, reliable power to communities, stabilize electricity prices, create jobs and position us to power the types of investments announced at the Energy and Innovation Summit in Pittsburgh earlier this year, which will drive our economic growth for decades to come."

By improving system flexibility, Project 237 could help save customers millions of dollars during future extreme weather events. During Winter Storm Fern, electricity prices rose sharply in parts of Pennsylvania. Based on observed price differences during the storm and the additional transfer capability of Project 237, the backbone could have meaningfully lowered electricity costs for customers over the course of the event, even before future load growth occurs.

Independent analysis from Grid Strategies[2] showed one-year delays experienced in four other RTO/ISO regions cost consumers $150-370 million per $1 billion of delayed transmission investment, affecting job creation and economic growth.

Conclusion

From a planning and reliability perspective, Proposal 237 represents the most effective and comprehensive solution to the systemic challenges PJM has identified in the MAAC region. It addresses voltage stability, transfer capability, extreme-weather resilience, and long-term load growth in an integrated and durable manner.

For these reasons, the Developers respectfully submit that advancing Proposal 237 is essential to maintaining reliability, supporting economic growth, and protecting customers from avoidable

[1] https://www.investor.nexteraenergy.com/news-and-events/news-releases/2025/12-08-2025-210541869
[2] https://gridstrategiesllc.com/wp-content/uploads/GS_WIRES-Cost-of-Delayed-Transmission.pdf

cost and reliability risks. We appreciate PJM's consideration and stand ready to provide any additional information that may be helpful.

Respectfully submitted,

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