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Via Electronic Delivery

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National Caucus of Environmental Legislators
1140 3rd St., NE
2nd Floor, Office 2137
Washington, DC 20002

Dear State Legislators,

Thank you for your correspondence dated February 9, 2026, regarding the PJM Board's decisional letter on the Critical Issue Fast Path – Large Load Additions stakeholder process. We appreciate the National Caucus of Environmental Legislators' (NCEL) continued engagement on issues central to the PJM region's electric system. We further appreciate your focus on electricity affordability, decarbonization, system reliability and the impacts of rapid load growth. We also recognize the importance of addressing these challenges in a manner that protects consumers while supporting economic development across the states served by PJM.

The Board shares your concern regarding rising electricity costs and the need for careful, forward-looking planning as the resource mix and load profile across the region evolves. As the regional transmission organization, PJM is responsible for maintaining reliability and administering markets under its FERC-approved Tariff, and the Board takes PJM's obligation to do so through transparent, data-driven and stakeholder-informed processes that serve the public interest.

Since your correspondence to us, PJM has made two filings with FERC seeking approval to: (1) extend the existing capacity market price collar for two additional delivery years; and (2) to expedite interconnection studies of new power generation that meet certain requirements (the "Expedited Interconnection Track" or EIT). The proposed extension of the price collar will protect both consumers and producers from volatility in the market while PJM completes its other planned reforms, including the reliability backstop procurement and a holistic review of PJM's wholesale energy and capacity markets.

As to the EIT, first, it is important to note that PJM is in the final stages of its FERC-approved queue reform. PJM has processed over 300 GW of projects since 2020, and there are currently ~54 GW of mostly renewable projects that received their generation interconnection agreements. PJM is limiting the number of projects that PJM will approve through the EIT to ten projects annually to avoid precisely the concern that you articulate in your correspondence around delaying the study of existing queue cycle projects. As to the minimum UCAP requirement of 250 MW, if PJM is going to allow for a project to be accelerated through the queue ahead of others, the project

should be able to substantially assist with reliability, which will in turn serve to alleviate the affordability challenge that the footprint is currently facing. This is in line with the top-level concerns articulated in your correspondence. To note, the 250 MW UCAP threshold is resource agnostic, and smaller scale resources can be aggregated to meet this requirement.

With respect to the reliability backstop procurement, the Board appreciates your concern regarding the design features and ultimate implementation. As you may know, PJM recently concluded a series of public workshops on this topic, receiving significant stakeholder feedback on both design and implementation of the backstop. The Board's objective remains to ensure that any reliability backstop construct supports system reliability while preserving the integrity and competitiveness of PJM's markets. PJM will keep your concerns in mind as PJM and its stakeholders work to develop a proposal that we expect to be made public in the coming weeks. We also encourage stakeholders to present alternative proposals for the Board's evaluation.

As to delays in running capacity auctions, it is important to note that these delays were caused in large part by state and environmental advocacy to reform the Minimum Offer Price Rule (MOPR) in the 2018–2020 time frame.

In closing, the Board recognizes the important role that state legislators play in shaping the energy landscape across the PJM region and appreciates the perspectives shared in your correspondence. As PJM continues to evaluate how to contend with this substantial increase in demand, the Board remains committed to working with all stakeholders, including state policymakers, to ensure that PJM's markets continue to support reliable service and competitive outcomes for the benefit of consumers across the region.

Sincerely,

David E. Mills
Interim President & CEO