



David E. Mills
President & CEO

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Via Electronic Delivery

June 18, 2026

Senator Gene Yaw
362 Main Capitol
Senate Box 203023
Harrisburg, PA 17120-0575

Dear Senator Yaw:

Thank you for your May 20, 2026, letter regarding PJM's recent paper, *Powering Reliability Through Market Design*, and for your continued engagement on issues affecting the reliability and affordability of the electric grid across the PJM region. We appreciate your focus on system reliability, affordability and the impacts of rapid load growth and your consistent efforts to act as a constructive voice for the region. We also recognize the importance of addressing these challenges in a manner that protects consumers while supporting economic development in Pennsylvania and across the states served by PJM.

We appreciate your thoughtful review of the paper and your recognition of the significant operational and market challenges confronting the region. As the paper discusses, PJM is managing a period of profound transition characterized by accelerating load growth, evolving state and federal policies, generator retirements, and increasing infrastructure and construction constraints. Balancing these dynamics across a diverse, multi-state regional transmission organization requires careful coordination and ongoing engagement with the states, regulators, market participants, and other stakeholders.

As outlined in the paper, and as you noted, a range of potential market design pathways and reliability constructs are being evaluated through our open stakeholder process, including approaches intended to better align reliability responsibilities, cost allocation principles, and long-term resource adequacy needs. The concern and requests made in your correspondence are clear – that states and their varied profiles and policy preferences should be differentiated through the lens of reliability and cost. We also note your request that PJM pursue "Path B: Differential Reliability." This path will be explored in detail through our designated stakeholder process associated with the paper and your input is valuable to us.

PJM values the active participation of policymakers and stakeholders from Pennsylvania and throughout the region as these conversations continue, and your perspectives on geographic accountability, cost causation, and state policy impacts will be part of that discussion. As such, we look forward to continued engagement with you and your colleagues in the months ahead, including at the upcoming technical conference at the Federal Energy Regulatory Commission and PJM's ongoing stakeholder proceedings.

Thank you again for constructive outreach and for your continued interest in the future reliability of the electric grid.

Sincerely,

David E. Mills
President & CEO