



David Mills
President and CEO

PJM Interconnection
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Via Electronic Delivery

August 19, 2026

The Honorable Eric Koch of Indiana
The Honorable Phil Hernandez of Virginia
The Honorable Schuyler VanValkenburg of Virginia

Dear Senator Koch, Delegate Hernandez, and Senator VanValkenburg,

Thank you for your recent correspondence regarding the utilization of PJM's Surplus Interconnection Service (SIS) – an important pathway for PJM to obtain much-needed capacity rapidly. As you know, SIS aims to streamline the use of any unused portion of interconnection service for a generation facility that cannot or does not operate continually; for example, it can serve as an expedited study process for quickly adding battery storage to an existing solar site.

PJM understands that some aspects of our existing market rules for facilities interconnecting via the SIS process make it challenging for these facilities to provide capacity. Given the abundant interest in leveraging SIS to provide additional capacity, PJM staff and stakeholders recently initiated a workplan to address market rules that are potentially limiting its current use.¹ Among the solutions we expect to consider is allowing these resources to be accredited together—thereby leveraging existing Capacity Interconnection Rights at the point of interconnection—while permitting them to operate separately in the energy and ancillary services markets.

We appreciate your interest in this important matter. As PJM staff and stakeholders determine solutions, please do not hesitate to reach out with additional questions or input. We are hopeful that PJM and our stakeholders can find a path forward for these resources, one that works within the limits of SIS while allowing surplus resources to provide much needed capacity to the region.

Sincerely,

David Mills
President and CEO

¹ <https://www.pjm.com/-/media/DotCom/committees-groups/committees/mic/2026/20260805/20260805-item-04-2---hybrid-resources-market-model-selection---issue-charge.pdf>