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August 28, 2026

Mr. David Mills, President and CEO
PJM Board of Managers
PJM Interconnection, LLC
2750 Monroe Boulevard
Audubon, Pennsylvania 19403

Re: Base Residual Auction for 2029/2030

Dear Mr. Mills and members of the PJM Board of Managers:

The Maryland Office of the People's Counsel of Maryland writes to ask PJM Interconnection, LLC to take action to prevent excessive prices in the Base Residual Auction (BRA) for the 2029/2030 delivery year.

PJM is in the process of implementing a new review and vetting process for Large Load Adjustments (LLAs) for the 2027 PJM load forecast. PJM usually finalizes the new load forecast in February. This new vetting process, combined with the adverse and worsening climate for local approvals of data centers, could result in a significantly lower amount of LLAs for the 2029/2030 delivery year in the 2027 forecast than the amount currently included in the 2026 load forecast that was developed in 2025 and finalized earlier this year. OPC is aware of information indicating that the 2026 load forecast may be materially inaccurate and overstated. For example, during its July 30, 2026, Earnings Conference Call for the second quarter of 2026, Exelon announced a reduction in "high probability" projects to 11 GW, down nearly 40% from an 18 GW projection at the end of 2025.

It would be contrary to the public interest for PJM to run an auction to procure capacity for the 2029/2030 delivery year this December with a procurement target that is demonstrated to be higher than needed when the new load forecast is finalized two months later.

The planning parameters for the upcoming auction are scheduled to be posted on August 31, 2026. Utilities will be submitting proposed LLAs to PJM on September 4,

2026, and those proposed LLAs will be presented at a Load Analysis Subcommittee Meeting on September 29, 2026. When information on the proposed LLAs is posted for that meeting, a discussion of whether to make adjustments to the parameters for the BRA will likely be warranted. The parameters are likely to require amendments based on adjustments resulting from the Load Analysis Subcommittee proposal.

We respectfully request that PJM clarify that the parameters posted on August 31, 2026, are subject to adjustment based on the LLA information that is available prior to the start of the auction. Such an adjustment would be consistent with PJM's existing Interim Resource Adequacy Service (IRAS) proposal to update the 2029/2030 delivery year planning parameters as late as one month before the auction begins to reflect information that was not incorporated when the original parameters were posted.

Thank you for your attention to these concerns.

Sincerely,

A handwritten signature in blue ink, appearing to read "David S. Lapp", is positioned above the printed name.

David S. Lapp
Maryland People's Counsel