



September 29, 2026

Paula Conboy, Chair
PJM Board of Managers

Chair Conboy and Members of the Board,

This summer, FERC initiated an urgent process to improve PJM's governance processes, aimed at helping you meet rapidly emerging resource adequacy challenges. FERC established three goals: (1) increasing PJM's independence, (2) removing roadblocks to speedy action, and (3) providing the PJM states with real input into decision-making.

We strongly object to the Members' term sheet because it defies all three of FERC's objectives:

1. Rather than a more independent PJM, the Members seek to retain and even expand power for themselves through new Member filing rights over resource adequacy, Member control over the states' voice on resource adequacy, and a new Member-controlled steering committee.
2. Rather than removing roadblocks, the Member term sheet exacerbates the current diffuse and incoherent power structure, further complicating PJM's governance, and forcing PJM to provide the Members with ratepayer-funded counsel to draft complaints against PJM's preferred solutions.
3. Rather than providing the states a meaningful role, the Member term sheet envisions the states as third-tier participants. The states would need supermajority approval from the Members to even have their voice considered on equal footing at FERC on proposals that directly implicate core state jurisdictional responsibilities, reducing the sovereign states to supplicants before the private Members, and relegating states to a minority role in the Board Nominating Committee.

PJM should have the independence necessary to make consequential decisions quickly. Members should provide advice, expertise, and criticism, but they should not have authority to compel filings to change PJM's governing documents, manuals, or other rules over PJM's objection. Further, it is not in the public interest to expand Member filing rights now.

Regardless of whether the Member term sheet is passed, the better course is to strengthen PJM's authority while creating a narrow mechanism for FERC to hear directly from democratically accountable state voices. Should the Members nonetheless approve their term sheet, the states will forcefully oppose it before the Commission and beyond.

We encourage PJM to join with the states to support reforms that enable PJM to efficiently advance solutions that promote the public interest.

Respectfully,

Governance Negotiating Team
Organization of PJM States, Inc.

Steering Committee
PJM Governors' Collaborative