November 18, 2026

**[Via electronic delivery]**

Chair, PJM Board of Managers
2750 Monroe Blvd.
Audubon, PA 19403

**URGENT REQUEST TO POSTPONE THE 2029/2030 DELIVERY YEAR CAPACITY AUCTION CONSISTENT WITH INDEPENDENT MARKET MONITOR'S RECOMMENDATION**

Dear PJM Chair Conboy and Members of the PJM Board of Managers:

The Office of the Ohio Consumers' Counsel, the Delaware Public Advocate, the West Virginia Consumer Advocate, Maryland Office of People's Counsel, Pennsylvania Office of Consumer Advocate, New Jersey Division of Rate Counsel, Illinois Attorney General's Office and Illinois Citizens Utility Board urgently request that the PJM Board of Managers direct PJM Interconnection, L.L.C. to seek Federal Energy Regulatory Commission (FERC) authorization to postpone the December 9-15, 2026 RPM capacity auction for the 2029/2030 Delivery Year, consistent with the recommendation of PJM's Independent Market Monitor (IMM). Proceeding with an auction that includes the existing forecasted data-center demand risks the reliability of the region's grid and imposes billions of dollars in unnecessary capacity costs on PJM's 67 million consumers.

In its November 12, 2026, Third Quarter State of the Market, the IMM recommended that PJM postpone the 2029/2030 Delivery Year auction until it can remove all forecast data center load from the auction and conduct a separate Reliability Backstop Auction for data centers without bilateral generation contracts.[1]

The IMM warned that proceeding with the 2029/2030 Delivery Year auction using PJM's 2026 load forecast, which includes data centers that have been canceled or are unlikely to reach projected demand levels, could impose an additional $5 - $10 billion in data-center related capacity costs on other consumers.[2] The IMM also identified $29.4 billion in increased capacity costs from data centers in prior auctions.[3]

The IMM's concerns are reinforced by other recent FERC proceedings. For example, Exelon's November 3, 2026, complaint against PJM (Docket No. EL 27-11-000), challenges the continued

[1] 2026 State of the Market Report for PJM, January – September, Section 1 Introduction at 2, available on-line at https://www.monitoringanalytics.com/reports/PJM_State_of_the_Market/2026/2026q3-som-pjm.pdf.

[2] *Id.* at 1.

[3] *Id.*

reasonableness of PJM's three-year forward capacity auction, citing the substantial uncertainty in forecasting data-center demand and the resulting billions in potential excess capacity costs. Although Exelon's requested relief would begin with the 2030/2031 Delivery Year, its filing underscore the risks of proceeding with the 2029/2030 Delivery Year auction using outdated forecasts.

Several of the signatories to this request raised concerns about data-center-related capacity costs in separate filings on PJM's Interim Resource Adequacy Service (IRAS) proposal (Docket No. ER26-3515-000). FERC's rejection of PJM's IRAS proposal on October 9, 2026 further erodes the ability for PJM to maintain reliability for the region's electricity grid.[4] These proceedings underscore the need for immediate Board action to prevent another capacity auction from imposing reliability concerns and billions in potentially unnecessary costs on existing consumers.

Notably, had FERC accepted PJM's Interim Resource Adequacy Service proposal, PJM's customers would not be forced to continue subsidizing data center loads in the 2029/2030 Delivery Year auction. There is still a path forward for IRAS and we urge PJM to correct and refile its proposal with FERC.[5]

The IMM's recommendation is not simply to update PJM's load forecast. It is to fundamentally change how forecasted data-center demand is treated in the capacity auction so that existing consumers are not required to subsidize speculative or uncommitted data center demand.

PJM is expected to publish final planning parameters for the 2029/2030 Delivery Year auction on November 19, 2026. Those parameters may provide additional evidence of the extent to which the 2029/2030 Delivery Year auction continues to incorporate forecasted data-center demand. But even an updated forecast that removes canceled or delayed projects would not fully address the IMM's recommendation to remove all forecast data-center load from the BRA and procure capacity for such load separately. The Board should not allow the publication of revised auction parameters to substitute for consideration of the IMM's recommended reforms.

We therefore request that the Board immediately direct PJM to seek FERC approval to postpone the 2029/2030 Delivery Year auction, which is currently scheduled to run in December 2026, until data center loads, both real and speculative, can be removed from the load forecast and the

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[4] Proposal of PJM Interconnection, L.L.C. to Establish Interim Resource Adequacy Service and A Large Load Registry to Address System Reliability, Attachment C, Affidavit of Christopher Pilong on Behalf of PJM Interconnection, L.L.C., Section III at P 19, PJM Interconnection, L.L.C., Docket No. ER26-3515-000 (Aug. 13, 2026) ("New Large Loads are developing more quickly than generation and transmission can be built. As a result, this may impact the ability for PJM to maintain a reliable system and continue to meet the demand for existing customers and maintain reserve requirements during times of peak demand and/or significant generator outages. Therefore, a new operational tool is needed to ensure the current level of reliability for our customers is maintained.")

5 For more detail, please see the November 5, 2026 Public Interest and Environmental Groups' Letter to the PJM Board Regarding IRAS, available at https://www.pjm.com/-/media/DotCom/about-pjm/who-we-are/public-disclosures/2026/20260611-public-interest-and-environmental-groups-letter-to-pjm-board-re-iras.pdf

Reliability Backstop Procurement proceeds. PJM should make this filing under Section 205[6] of the Federal Power Act. PJM also should request any necessary tariff waivers. The delay would allow PJM to implement the IMM recommendations, subject to FERC approval and appropriate reliability safeguards.

Importantly, the signatories believe that PJM's seeking postponement of the 2029/2030 Delivery Year would not disturb the price collar that FERC accepted for the 2029/2030 Delivery Year auction in Docket No. ER26-1556-000. This is because FERC, in granting the extension of the price collar to the 2029/2030 Delivery Year auction, set no conditions for implementation of the auction. In other words, the Order does not condition the extension on running the auction on a specific date. Thus, FERC's grant of the extension of the price collar would apply to the 2029/2030 Delivery Year regardless of when the auction is run, whether that is in December 2026, or thereafter.[7]

The January 2026 Statement of Principles endorsed by PJM and the governors of its thirteen states emphasized that large-load forecasts must be "real and verified."[8] Proceeding with an auction that incorporates both real and speculative data-center demand, despite the IMM's findings, would undermine that commitment and expose consumers to billions in potentially avoidable costs.

The Board should act now to prevent the 2029/2030 Delivery Year auction from proceeding under a market design that the IMM has warned will pose substantial and unnecessary capacity costs on consumers.

Given the urgency of the approaching auction, we request a written response from the Board no later than November 23, 2026, identifying whether PJM will seek to postpone the 2029/2030 Delivery Year auction consistent with the IMM's recommendation and, if not, explaining how PJM intends to protect consumers from the excessive capacity costs identified by the IMM.

We urge your immediate action and stand ready to support PJM in seeking the necessary FERC authorization.

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[6] 16 U.S.C. § 824d.

[7] *See PJM Interconnection, L.L.C.*, 195 FERC 61,076 at P 51 (2026) ("We accept PJM's proposed Tariff revisions to extend the existing price cap of approximately $325/MW-day (UCAP) and price floor of approximately $175/MW-day (UCAP) to all RPM auctions for the 2028/2029 and 2029/2030 Delivery Years as just and reasonable.")

[8] Statement of Principles Regarding PJM, Improve Load Forecasting at 1, signed by the National Energy Dominance Council within the White House and the thirteen governors within the PJM region (Jan. 16, 2026), available at https://www.google.com/goto?url=CAESgAEBxCJF185dkS0owo5II9mdwu0UspMJHUnFuLMYqp3FxXj49alqvUlYZhi5Y9EItcd5qRNVy9zRPiXD57lchgpCDlAxQv67Jm2LD3ViW42UCBkUM2IuS8RcNQvKV8yam7Ms9m69nzKs_QSzLSox2MFVJPvIxTA8uiZUyRLir4inrw&gsessionid=8OPH2UR_4VXCSY9A1QBnejF68T_n2oWrCnSuJ87cHHvqL6z1f23Lcg.

Respectfully submitted,

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