protect fauquier

SAVING OUR RURAL LANDSCAPE FROM TRANSMISSION LINES AND DATA CENTERS

November 10, 2025

On behalf of the 1700 members of Protect Fauquier -- and millions of other Virginia residents -- we respectfully submit these recommendations on the PJM CIFP "fast track" options for allowing more data centers (aka "large loads") and power generation to be approved:

1. **Document risk of increased use of polluting and noisy diesel generators at data centers in the PJM region:** It is likely that most of the "fast track" options under consideration will lead to an increase in usage of diesel and natural gas generators at data centers. Data center emergency generators are the size of railroad boxcars, entail dozens or hundreds of such generators at different data center locations, and most are highly polluting and noisy "Tier II" generators. In many cases, data centers are located in close proximity to residential neighborhoods, schools, and recreation areas and parks -- as close as a few hundred feet.

The existing MW of data center back-up generators is enormous, especially in Virginia, and highly concentrated geographically. Based on VA DEQ's database of data center back-up generator permits, we estimate that there is:

12 GW of back-up generation in Loudoun County VA alone;
22 GW of back-up generation in the state of VA

already approved through minor air permits from VA DEQ -- most of which are highly polluting Tier II diesel generators -- and with many more GW in the pipeline from pending and planned data centers.

Prior to finalizing any "fast track" recommendation, the PJM Board should ensure a thorough analysis of the existing and likely increased use of back-up diesel and natural gas generators and their potential air and noise emissions. The PJM Board should also establish a means to track the use and impacts from existing and future use of back-up generators by data centers. In particular:

(a) Document the MW of back-up diesel and natural generators currently operating or approved for operation, by locality and by state, and by type of generator;
(b) Estimate the potential increase in MW for additional generators, by state and locality) under current policies;
(c) Estimate the potential increase in MW for additional generators under a new "fast track" PJM policy, by state and locality, by generator type, and by year;
(d) For each of (a), (b), and (c), estimate the emissions of NOx, PM 2.5, CO2, CO, and noise likely to be emitted by the associated generators, under multiple scenarios, including scenarios of steadily increasing climatic temperatures and extreme weather events which increase grid risk;
(e) Conduct discussions with state environmental agencies and document policy changes in process or under consideration that will allow wider use of such diesel and natural gas generators than previously allowed (such as the VA DEQ guidance issued on 9/30/25 that allows broader use of back-up generators than previously allowed);
(f) Enter into agreements with state environmental agencies that ensure advance notification of any future policy changes affecting the use of back-up generators by data centers in the PJM region;
(g) Ensure that there is a mechanism for PJM to be notified of any and all use of back-up diesel and natural gas generators, including data center location and operator, number and type of generators activated, and dates and hours of activation, together with estimated amount of air quality and noise emissions produced;
(h) Maintain a public data base of the above information, organized by state and locality, and data center entity;
(i) Issue an annual report each year of the above information; and
(j) make it a condition for any new "fast tracked" data center and power generation plant that **reliable monitoring devices are installed -- at the expense of the relevant data centers --** to measure both noise and air quality emissions and be posted to a public database.

During PJM's many CIFP meetings, a Protect Fauquier member has raised concerns about generator use and their health impacts several times -- but there has been no apparent consideration or follow-up by PJM staff -- in contrast to the intense, detailed, and prolonged responsiveness to the concerns and interests of data center and utility stakeholders on other matters.

2. **Evaluate and document the percent of actual data center load in MW as a percent of approved MW of capacity.** During PJM CIFP meetings, PJM asserted that there is "historical data" on actual data center load as a percent of approved capacity and that the historical data supports a 70% default factor. However, no such evidence has been provided -- and there has been no analysis of the likelihood that over time this 70% factor will increase over time.

An increase in the 70% factor for existing and new data centers could substantially increase the actual load on the grid from data centers -- and thereby exacerbate grid reliability risks, costs, and back-up generator usage. Therefore, we call on PJM to:

(a) Provide public evidence supporting the PJM assertion that current actual data center load is at 70% of approved capacity once a data center complex is fully ramped up -- together with evidence as to whether this factor increases over time;
(b) Evaluate how this 70% factor (or variations used by individual utilities) is a reliable basis for existing and future load estimates, including considering reliability risks from significant variations in intensity of the factor from peaking effects;
(c) Especially evaluate whether, over time, actual usage as a % of approved capacity is likely to rise -- collectively, across all data centers in PJM territory -- as a result of (i) increasing climate temperatures that drive up summer cooling load; and (ii) increased use of AI as more and more applications and users come into play-- driving up intensity of usage of servers and other data center equipment;
(d) ensure that any "fast track" policy recommended or adopted by the PJM board is not affected by an undercounting of present and future data center load from inadequate assumptions about intensity of use.

During PJM's many CIFP meetings, a Protect Fauquier representative has raised this concern, but, again, there has been no apparent response or consideration, in contrast to the treatment of issues and questions raised by data center and utility stakeholders on their interests.

Submitted by the Executive Board of Protect Fauquier (Virginia):
Mike Fultz
Cindy Burbank
Denise Schefer
PJ Leary

ProtectPWC.org

November 10, 2025

The Coalition to Protect Prince William County fully concurs with the recommendations outlined below by Protect Fauquier.

PJM declares “Service with Integrity” as their guiding principle.

NO RESIDENT in our state or in the PJM territory, deserves to have our regional transmission organization breaking from that guiding principle by pushing “fast tracking” approvals of power generation to support unprecedented data center load growth. The unknown cost of this approach will likely lead to increased usage of diesel and gas generators at data centers, risking the health and welfare of families in neighborhoods, schools, and other areas across the PJM region in close proximity to the data center proliferation threatening our communities.

Elena Schlossberg	Karen Sheehan
Executive Director	Director

Critical Issue Fast Path – Large Load Additions
Apex Clean Energy Holdings, LLC
Stage 4 Comments
Michele Greening (michele.greening@pjm.com)
Matthew Connolly (matthew.connolly@pjm.com)

Apex Clean Energy Holdings, LLC (Apex) appreciates the opportunity to submit these comments to the PJM Board of Managers, PJM staff and other stakeholders participating in the Critical Issue Fast Path – Large Load Additions (CIFP – LLA) process. Apex understands that an anticipated onrush of demand has created significant upward pricing pressure and has raised future resource adequacy concerns. Some of the ideas presented by the PJM staff and stakeholders will make much needed enhancements to the current PJM processes. Namely, the load forecasting enhancement proposal and enhance demand flexibility proposal should help protect ratepayers from rising power bills created by the anticipated large load additions.

However, as the PJM Board of Managers' August 8, 2035, letter states, "PJM's 2022 interconnection queue reform has resulted in the processing of over 140,000 MW[s] of queued generation projects. A total of 46,000 MW[s] of new generation have signed interconnection agreements and are ready to [be] construct[ed]. The remaining interconnection transition queue ***is expected to be completely cleared over the next six to eighteen months*** (emphasis added)."

Apex does not believe that a new parallel ***permanent*** Expedited Interconnection Track (EIT) for generation (whether paired with load or not) is needed nor is it appropriate. Creating such a queue-jumping process would harm the interconnection customers that have been in the existing queue for many years. Creating a separate parallel expedited process would be unjust, unreasonable and unduly discriminatory. As the PJM Board letter indicates, PJM should focus on expeditiously processing the current queue and clearing the existing backlog of generation projects ready to be constructed and connected to the grid.

It was not long ago that PJM implemented the Reliability Resource Initiative (RRI) as a "one-time" intervention to quickly bring new needed generation online. Now it is proposing a regular, permanently occurring fast-track process. The permanent nature of this proposal is very troubling. PJM should not implement such a significant departure from the cluster study process required under FERC Order No. 2023. It should focus on processing the current interconnection queue as quickly as possible rather than creating an unfair and unjust parallel process.

PJM has not addressed whether the proposed fast track will cause delays for current cluster studies; how PJM intends to deal with penalties for missed cluster study deadlines caused by the devotion of resources to the interconnection fast track; or whether the interconnection fast track may increase network upgrade costs for projects in study clusters. Any expedited process will almost certainly cause harm to the existing queue participants. Even PJM staff acknowledged this on page 5 of its original proposal presentation dated October 1, 2025 ***("It is important to note that any parallel process will impact the Cycle Process. The goal is to have a minimal impact").***

This concern of harming the existing queue has been recognized by other stakeholders. As stated in the Bipartisan PJM State Legislators Collaborative's presentation at the November 7, 2025, CIFP-LLA meeting, ***"Any accelerated generation interconnection process should minimize harm to the existing interconnection queue*** (emphasis added)**."** Also, the Delaware Public Service Commission stated in its October 24th survey comments that it was supportive of proposals that "do not unduly impact the existing interconnection queue processing timelines" and that ***"PJM should prioritize and continue to take all steps to improve the efficiency of the queue process."***

The CIFP-LLA process was initiated by the PJM Board to address a pressing resource adequacy concern, and the letter notes that solutions could be "transitional in nature, permanent or a combination of the two." If an Expedited Interconnection Track process is pursued, it is imperative that it be limited in duration. The longer an expedited process is in effect, the more harm will be caused to generation interconnection customers entering the standard queue cycles. At the very least, Apex agrees with the American Clean Power Association's October 24th survey comment that the EIT should be limited to periods when PJM's Installed Reserve Margin (IRM) is not consistently met and should be sunset once consecutive BRAs meet or exceed the required IRM. Alternatively, a hard sunset date of one year should be imposed.

Apex appreciates the opportunity to submit these comments.

Commission Staff Position Statement on CIFP

November 10, 2025

The OPSI staff offers[1] the following comments on the major issues reflected in the proposals before the CIFP.

Given current market conditions driven by unparalleled data center load growth, continued industry-wide supply chain constraints, and further potential generation retirements, PJM's reliance solely on voluntary programs will not ensure that resource adequacy is maintained and will likely result in energy and capacity market scarcity conditions that quickly result in unaffordable prices for customers.

We recommend that PJM develop solutions to strongly incentivize Load Serving Entities (LSEs) of new large loads to bring new generation and storage resources online commensurate with the new large load addition.[2] Alternatively, those LSEs could be incentivized to bring new demand-side resources to account for the new large load. These new Demand Response (DR) resources could come from the new large load itself or from other customers within the LSE's portfolio, but only with the consent of the affected customers.

Bringing new supply or new DR to match new large loads is the overwhelming preference before the other options below are utilized. Bilateral contracting between LSEs of new large loads and new capacity or new DR resources offers an optimal path to meeting the resource adequacy requirements of new large loads in the near term.

To the extent new supply or DR resources are not brought to bear, we support PJM's initial proposal and other similar proposals that an amount equal to any residual load reduction related to the non-capacity backed load (NCBL) should be limited to the relevant LSEs, or Electric Distribution Companies (EDCs), where applicable, of the NCBL load. Those entities must bear and manage the curtailment from among their own customers in accordance with the regulatory laws and rules of the state in which the NCBL is located prior to any emergency conditions or DR deployment. We believe this approach can be

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[1] OPSI staff members from the following commissions support these comments: the Delaware Public Service Commission, Public Service Commission of the District of Columbia, Indiana Utility Regulatory Commission, Kentucky Public Service Commission, Maryland Public Service Commission, Michigan Public Service Commission, North Carolina Utilities Commission, Public Utilities Commission of Ohio, Pennsylvania Public Utility Commission, Tennessee Public Utility Commission, Virginia State Corporation Commission, and Public Service Commission of West Virginia. The OPSI Board supports the submission of this feedback. The Illinois Commerce Commission and the New Jersey Board of Public Utilities abstained in this vote.

[2] Nothing in this position statement is intended to impact PJM's procurement of capacity for all other load or modify any related components of a state's existing retail market construct.

used as a temporary solution pending rebalancing of the supply/demand conditions in the PJM region.

The scale of DR, Price Responsive Demand (PRD) and NCBL should be sufficient to maintain resource adequacy and mitigate the total cost impact on existing customers. PJM should study and determine an appropriate limit on the level of DR/PRD/NCBL under this CIFP process to ensure just and reasonable rates and resource adequacy, and consider other DR/PRD reforms, as necessary, under the stakeholder process. To further incent new large loads to contribute to resource adequacy, PJM should also consider penalties for LSEs that fail to meet the supply obligations associated with their new large loads and how those funds could be used to compensate other customers for the energy and capacity market cost impacts of their failure to do so, and any involuntary curtailments.

The state commissions also support effective interconnection reforms to accelerate the addition of new generation.[3] However, any such reforms must not delay processing of the existing PJM queue. Furthermore, additional efforts to improve processing of the existing queue and new Surplus Interconnect Service requests must proceed in parallel with any expedited interconnection programs.

The state commissions are also open to temporary energy-only solutions or provisional service reforms to accelerate resource deployment at or very near new large loads in order to mitigate curtailment risks for new large loads, as long as they are paired with pre-emergency curtailments of those customers per above. However, PJM must still account for the presence of energy-only resources on the grid with respect to reliability and costs associated with maintaining reliability. Over time, energy-only resources should transition to full capacity status as PJM queue processing timelines improve.

While we are open to near term reforms that achieve these objectives, we seek a comprehensive solution that charts a path towards long term stability even with new large load additions.

[3] The Michigan Public Service Commission does not support bypassing of the existing interconnection queue processing.

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November 19, 2025

Comments For PJM's CIFP-LLA Stage 4

Talen Energy Corporation ("Talen") appreciates all of the work that both PJM and its stakeholders have put into the robust CIFP process over the last few months. Talen encourages the Board to direct PJM to include a supply-side solution in addressing the challenge of large load additions. The Board specifically requested "development of reliability-focused solutions to ensure large loads can continue to be integrated rapidly and reliably, without causing resource inadequacy." The Board also asked for criteria "for when this reliability-focused solution is triggered." Large loads cannot be integrated rapidly, reliably, and without causing strain on grid resources unless generation also increases. The current PJM proposal does not fulfill the Board's request because it does not propose a method to increase generation in the near term. Instead, it proposes to consider a supply-side solution after the conclusion of the CIFP process.

Talen and PJM appear to agree on a supply-side solution to the challenge of large load additions, — utilization of the Reliability Backstop Auction that already exists in the PJM Tariff. While PJM has not put forward further details regarding how a reliability backstop auction should be structured, other than those already in the Tariff, a Joint Stakeholder Proposal, which includes Talen, does provide a level of details for how such a mechanism could work. The reliability backstop auction would be triggered when the base residual auction clears below 98% of the reliability requirement for two years in a row. PJM would specify the amount of MWs needed and the year by which the resources must be capable of delivering power. Eligible resources would submit a cost-of-service based offer for a term of up to 15 years, and multi-year offers would be cleared in order of the lowest total cost. This mechanism incentivizes generation because cleared resources receive a multi-year commitment for the term that they offered.

We encourage the PJM Board to direct PJM to include the reliability backstop auction concept within its proposal in order to ensure the proposal meets all of the Board's requests.

Homer City Generation L.P.
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MEMORANDUM

SUBJECT **Comments on Agreement Between Load and Generation to Initiate Joint Expedited Study**

DATE November 10, 2025

Homer City Generation, L.P. applauds both PJM and the Data Center Coalition (DCC) for developing proposed paths for expedited connection of generators and of large loads paired with new generation. Such an approach can meet objectives of reliability and affordability while allowing faster connection with fewer unnecessary transmission upgrades.

The expedited connection process should require serious projects, with load and generation entering service together to recognize that certain commercial terms can not be agreed to prior to the interconnection studies being completed. To that end, PJM proposes a "[n]ew Expedited Interconnection Track for sponsored generation" with a "financial commitment with a load that has an executed electric service agreement to interconnect with the Transmission Owner".[1] In response to the proposal, we offer three suggestions:

(1) The process must require paired large loads and generators be studied together in both the load interconnection process and the generation interconnection process. It is impractical, if not impossible, to study them separately modeling only half of the impact of the combined facilities. The results of studying the impacts individually may give unrealistic answers because the models are incomplete, which adds time and cost to projects. PJM and the States need to require the combined facilities be studied in the separated expediate interconnection.

(2) If PJM is concerned that eligibility is excessively broad, it should use reliability-based criteria to ensure that projects meet the system need. The scoring that was used as part of the Reliability Resource Initiative requires development milestones that are appropriate to the level of maturity associated with projects requesting connection. In particular, the initiative must avoid introducing "the chicken and the egg" problem of generation or load having to complete its request before the other is processed. As described below, an electric service agreement is achieved at the end of the study process and so is not suited as a requirement to initiate the paired study process.

[1] PJM Package, Item 04 - Critical Issue Fast Path - Large Load Additions - Options and Packages Matrix, November 6 meeting of CIFP-LLA, posted November 4, 2025

* * *

Below, we elaborate on the requirements for contractual commitment.

With respect to PJM's proposal to require an electric service agreement for expedited study: As developers that have requested a large load connection in PJM, we are concerned with what constitutes an electric service agreement. A new large load seeking to connect based on proximity to a new generator cannot agree to a TO-led interconnection process, to receive to an "executed electric service agreement" prior to its paired generator beginning the connection process. This is the case as a result of the following:

- Utilities do not study load with generation that does not have at least an executed ISA;
- Studying load without new generation leads to incorrect results that run counter to the objectives of the proposal, namely upgrades that are unnecessary when the proximate generation is available, with potential lead-time to build the "required" upgrades push the interconnection outside of any reasonable timeframe.

Further, waiting to start the generation interconnection process until the load agrees to its electric service agreement could add unknown cost and time to the process. This delay then causes the loss of any benefit to the developer associated with expedited connection.

In our experience as a developer of generation, paired with proximate large load, we are concerned that a PPA may pose commercial challenges at the connection request stage. While some PPAs include conditions precedent that allow termination if interconnection agreements are not achieved, the penalties can be high. A PPA based on unrealistic load interconnection results and uncompleted generation interconnection results will pose major commercial challenges.

> ***The requirement should instead be*:** a commitment from a load that is financially bound to complete the connection process, provided the result is cost effective and practical to build. A Transmission Security Agreement that has been used from or adapted for a pre-study development stage could meet this need.[2]

[2] For example, some of the terms in the PECO Transmission Security Agreement (FERC docket ER25-3492-000) could be adapted for this purpose, recognizing that that agreement was developed for a project that had already conducted load connection conducted studies, not one for which studies had not yet commenced.

Finally, we offer the high-level observation that, as proposed in the DOE ANOPR on large loads, the best way to achieve expedited connection is to avoid transmission upgrades, which can be achieved through paired studies of a new large load that is proximate to new generation.[3] To achieve this, the load connection process must be coordinated with the generator connection process, despite the former being state jurisdictional and the latter having FERC jurisdiction. This coordination also solves any timing problems with coordination. The load and generation can make a contingent commitment before starting both processes, and if either process fails, then both are withdrawn.

[3] DOE, ANOPR Ensuring the Timely and Orderly Interconnection of Large Loads, issued October 23, 2025

TO THE ATTENTION OF:
Michele Greening
Matt Connolly

Stage 4 Critical Issue Fast Path Comments of the Public Utilities Commission of Ohio's Office of the Federal Energy Advocate

The Public Utilities Commission of Ohio's Office of the Federal Energy Advocate (Ohio FEA) appreciates the opportunity to offer comments to the PJM Board as part of the Critical Issue Fast Path (CIFP) process to address resource adequacy concerns arising from large load additions. The Ohio FEA believes that near-term changes are necessary to ensure that PJM can continue to maintain reliability and resource adequacy in the future.

In initiating the CIFP process in its August 8, 2025 letter to stakeholders, the PJM Board emphasized that "[r]ecent increases in large load additions, mainly from data centers, present both opportunities and challenges for the regional grid." Noting that PJM's 2025 load forecast projects a peak load growth of 32 GW from 2024 to 2030 (with approximately 30 GW related to data centers), the PJM Board indicated its intent to develop "reliability-focused solutions to ensure large loads can continue to be integrated rapidly and reliably, without causing resource inadequacy," through measures that are "transitional in nature, permanent or a combination of the two."

The Ohio FEA agrees with the PJM Board that the potential resource adequacy challenges posed by rapidly interconnecting large loads must be promptly addressed and that competitive, market-based solutions should be prioritized.

To address the transmission buildout necessary to meet new data center load in Central Ohio, the PUCO recently authorized a new data center tariff for AEP Ohio's service territory. The tariff subjects data center customers to a "take or pay" contract with a limited load ramp period, longer contract terms, minimum demand charges, a collateral requirement, capacity reassignment limitations, and a new service enrollment process as safeguards to protect other customers in the event the data center load does not materialize as projected. In approving a tariff limited to data centers rather than all new large loads, the PUCO noted that data centers pose unique and particular risks that are not present with manufacturers or other types of customers and that it is in the public interest to ensure that data centers bear their share of the transmission costs incurred to serve them.

The Ohio FEA encourages the PJM Board to adopt a similar approach through the CIFP. Any reforms that are adopted by the PJM Board should be designed to address the unique challenges presented specifically by data centers, ensure that costs are equitably allocated to data center customers, and minimize the significant risks to other customers posed by speculative or redundant data center load. Our collective focus must remain on ensuring reliability and resource adequacy. All customers must have access to reliable, affordable, and secure electricity service, but the interconnection of new data center load must not come at the expense of reliability to other customers.

With these objectives in mind, the Ohio FEA does not endorse any particular proposal but supports several of the key concepts discussed in the CIFP and recommends that the PJM Board incorporate them in its adoption of any final reform package to be filed with the Federal Energy Regulatory Commission. In

addition, while the Ohio FEA considers certain CIFP design component proposals as positive first steps, the scope of the CIFP is limited and should be followed by a more comprehensive solution that will be addressed without significant delay in other relevant PJM stakeholder processes.

Load Flexibility

The Ohio FEA supports increased load flexibility, including measures that encourage new large load additions to bring their own generation to offset their consumption, as well as potential modifications to demand response programs (i.e., new DR products). All load must have a path to participate in market-based solutions before PJM resorts to out-of-market actions such as manual load drops. Any new demand response products must be properly defined and accredited by the Effective Load Carrying Capability that the load flexibility brings to the system. They must also be non-discriminatory by being open to all market participants and be dispatched in a manner that does not unfairly prioritize certain loads over others.

However, the Ohio FEA recognizes that voluntary programs may not be sufficient in the near term to ensure resource adequacy. Therefore, PJM must prioritize the interruption of new large loads if and when manual load drops are necessary, to the extent these loads are unable or unwilling to bring new generation to the system or offer interruptible service into the PJM markets. This may take the form of PJM's Non-Capacity Backed Load proposal or a substantially similar procedure that protects legacy loads during the timeframe where new large loads are being interconnected without a corresponding increase in resources available to serve them.

Accelerated Interconnection

The Ohio FEA generally supports PJM's proposal to implement an Expedited Interconnection Track (EIT) as a means to accelerate the interconnection of generation with a contractual commitment to new large load or to expedite standalone generation. However, the PJM Board should decline to adopt the unnecessary component of the proposal that would require a state commitment to expedited siting and permitting review as evidenced by a letter from a governor's office or state siting authority. Aside from the legal questions that such a requirement would raise, Ohio has already taken steps to expedite the development of new energy infrastructure in the state. The Ohio General Assembly, through its recent enactment of House Bill 15, has implemented accelerated timelines for review of project applications submitted to the Ohio Power Siting Board.

The Ohio FEA also strongly supports PJM's recently approved Surplus Interconnection Service proposal to more fully utilize the surplus interconnection capacity in the PJM region. Spare capacity at any existing points of interconnection can be leveraged by PJM and project developers alike to improve utilization of the grid, avoid new generation interconnection timelines, and ultimately deliver much needed power to the system.

Load Forecasting

The Ohio FEA supports PJM's efforts to improve the load forecasting process and to create an enhanced role for states to validate large load additions before they are included in the PJM Load Forecast. Accurate load forecasts are necessary to ensure that the region procures the right amount of capacity in the right location and avoids costly overinvestment should such loads not materialize. To that end, load forecasts must be based on objective and verifiable financial commitments by large loads and should not

include speculative or redundant projects that are unlikely to materialize. While accurate load forecasting is essential, it only gives us insight into the magnitude of the challenge we face. Forecasting alone will not solve the problem.

Capacity Procurement

The Ohio FEA cautions PJM against adopting any proposal that transfers the bulk of the obligation to procure capacity and the associated risks to Load Serving Entities (LSEs). Such a model is incompatible with restructured states wherein customers are free to migrate between LSEs, rendering it impossible for LSEs to independently predict and contract for their capacity obligation prior to a delivery year with any accuracy. As resource adequacy is fundamentally a regional issue, market-based capacity should continue to be centrally procured by PJM in the Base Residual Auction on behalf of all LSEs. However, proposals that allocate only the incremental capacity obligation associated with new large loads to the LSE serving that specific load may be less disruptive and more feasible.

Next Steps

The Ohio FEA believes that more work will be needed following the conclusion of the CIFP process. PJM's solution package includes a commitment to further review of the reliability backstop, load shed prioritization, and additional resource adequacy enhancements. Although the Ohio FEA supports future discussion on these subjects, we also agree with stakeholders advocating for a separate stakeholder effort to consider a fair allocation of transmission charges to data center loads. In any case, we will continue to engage with PJM and its stakeholders in efforts to adopt reforms to address the rapid demand growth driven primarily by data centers and to ensure the continued reliability of the grid.

Finally, the Ohio FEA appreciates the diligence of PJM and a diverse group of stakeholders to provide numerous proposals for the PJM Board's consideration. Ohio and the other PJM states, through their commissions and/or governors, have been engaged in the CIFP process. While the governors of four states (Maryland, New Jersey, Pennsylvania, and Virginia) have presented a joint solution package with the Data Center Coalition and Exelon, the Ohio FEA encourages the PJM Board to carefully consider the proposals, comments, and verbal remarks offered by all of the states in the PJM region – and not just the solution package offered by a minority of the states. Given the sheer volume of proposals and their varying scopes, the Ohio FEA also recommends that the PJM Board remain open to advancing elements of various proposals as they deem appropriate rather than limiting themselves to adopting any particular package as a whole.

Dear PJM Voting Members,

The undersigned organizations urge you to protect ratepayers in the current Critical Issue Fast Path (CIFP) process at PJM and ensure that the data center developers bear the costs and the risks associated with data centers connecting to the PJM grid.

Of the 32 gigawatts of anticipated demand growth in PJM, 30 gigawatts is projected to be from data centers. The infrastructure needed to support 30 gigawatts of new demand from data centers is estimated to cost **$163 billion by 2030**. **That translates to an estimated average $70 cost on ratepayer's monthly bills**. Those costs should be paid for by the well-capitalized corporations developing these data centers, not ratepayers.

At present, policy proposals that simply lay out optional actions that data center developers could take if they choose are insufficient and do not adequately shield ratepayers from rising energy bills. Binding "Bring Your Own Clean Energy" requirements that data centers must fulfill in order to gain access to 24/7/365 power from the PJM grid are necessary.

To ensure that ratepayers are protected, you must vote for a solution that–at minimum–**does not allow large-load users like data centers to have access to the grid during hours of peak demand until they have brought new generation onto the grid to match their energy usage.** Fortunately there is an abundance of untapped resource potential sitting in PJM's queue, primarily in the form of affordable, clean energy technologies, that could rise to meet this need. This will protect systemwide reliability, and ensure that the PJM capacity auction cost does not skyrocket as a result of data center demand, shielding households and all but the very largest businesses from footing the bill.

This month, every voting member at PJM will have a choice to make: whether to protect families and storefronts trying to make ends meet, or to protect the share price of some of the largest companies in the world. A decision to place the interests of companies like Amazon, Microsoft, and Google over the interests of everyday grid users would call into question whether PJM is still serving the states who willingly participate in PJM. We hope that you will choose to support ratepayers.

Regards,
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Competitive Power Ventures

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Re: Critical Issues Fast Path for Large Load Additions

Michele and Matt,

Please accept these comments on behalf of Competitive Power Ventures. While we appreciate the work to date on the Critical Issue Fast Path (CIFP) process, we strongly believe it is absolutely critical that PJM address the lack of a sufficient market structure that will allow for new generation to be commercially viable.

To date, the CIFP has been almost entirely focused on the demand side of the equation, with PJM's proposed solutions largely revolving around improving load forecasting methodologies and potential voluntary or mandatory curtailment of large load additions. We believe this will likely result in an unrealistic assumption of Bring Your Own Generation (BYOG) that will naturally occur. While bilateral contracts and co-located resources may help facilitate some new entry, these out-of-market arrangements alone cannot be relied upon to ensure new supply is built at the scale necessary to meet forecasted growth. Apart from proposed interconnection acceleration for state-sponsored resources with very short construction schedules, PJM has yet to put an initiative forward that would create market-based incentives and facilitate commercialization for the type of new supply needed to meet forecasted demand.

Stakeholders have provided feedback on the need for long-term revenue certainty in PJM's markets and offered promising proposals, including modification of the Reliability Backstop provision or a multi-year price lock for new resources. Unfortunately, PJM continues to indicate that it does not plan to consider these solutions until a later stakeholder proceeding in 2026. A decision to delay addressing the supply-side of the resource adequacy issues, stemming from large load additions, until next year could have disastrous consequences that the Board must consider.

If PJM were to initiate a new CIFP in January 2026 and target a FERC filing by June 2026, at a minimum the following is scheduled to occur before any FERC approval:

- December 2, 2025 - Decision Point 1 in Interconnection Transition Cycle #2, which includes the Reliability Resource Initiative projects. At this point, developers will have to decide whether to post, in many cases, tens of millions of dollars to remain in the queue or choose to withdraw.
- December 17, 2025 – Base Residual Auction results posted for the 2027/2028 Delivery Year which has the potential to clear well short of the reliability requirement with no possibility of triggering the Reliability Backstop.
- April 27, 2026 – Application deadline for New Cycle #1, where developers will have to post millions of dollars in at-risk deposits to enter the queue. As-is, New Cycle #1 projects will likely not be able to start construction until signing an ISA in April 2028. New Cycle #2 is not expected to begin until July 2027, with projects then receiving an ISA and beginning construction in Q2 2029.
- June 2026 – Base Residual Auction results posted for the 2028/2029 Delivery Year which again has the potential to clear well short of the reliability requirement and, again, no possibility of triggering the Reliability Backstop.

We strongly encourage PJM to reverse course and heed stakeholder calls, from multiple sectors, to include supply-side market design changes in its proposal. Specifically, we recommend a two-phased approach that includes implementing a 10-year price lock for new generation at the capacity clearing price. This is consistent with other market designs approved by FERC that resulted in significant development. The mechanism would incentivize new generation while protecting consumers as the price lock would only apply to new generation that will help mitigate consumer costs once it enters service. Given the timeline of PJM's most advanced projects, it is imperative that the price lock option be part of the current CIFP filing.

We agree with PJM staff that reviewing and modifying the Reliability Backstop 2026 is appropriate if the price lock option is filed this year. We further recommend the Reliability Backstop evolve into a forward-looking auction as opposed to the current design where it is only triggered after several years of failing to meet reliability requirements.

We understand these changes will require careful consideration, however, choosing to delay has significant and immediate consequences.

Respectfully,

Tom Rumsey

Thomas J. Rumsey

MN8 Energy develops, owns, and operates renewable energy infrastructure across the United States. With around 4 gigawatts of solar in operation today, MN8 is one of the largest and most sophisticated independent renewable energy power producers in the United States. We appreciate the collaboration and thoughtful work that has gone into the CIFP-LLA, as well as the opportunity to share our perspective with the Board and stakeholder community.

EIT

The cycle process should be PJM's primary source of new supply. With Cycle 1 opening soon, new projects can promptly get in the queue and be studied, unlike when the RRI was approved. Therefore, any such expedited interconnection track should be limited in scope, time-bound, and, above all, not adversely impact the cycle process.

- EIT projects should be studied using the latest phase 2 or phase 3 model for the most recent active cluster. If a cluster has begun (i.e., if its application window has closed) but no phase 2 model has been created, the EIT request must wait until a phase 2 model is developed before it can be studied. This will ensure that EIT projects cannot jump in front of cycle projects and garner priority access to system headroom.
- The EIT should only be used in instances where an EIT project can deliver UCAP faster than the cycle process. Therefore, we support PJM's proposed requirement for all EIT projects to COD within three years of their application submittal.
- PJM's project size requirement is unworkably high. If PJM wants the EIT to result in meaningful uptake while still managing administrative burden, it should reduce this requirement to 50 MW UCAP.
- Because the cycle process should be the primary source of new UCAP, PJM should retire the EIT as soon as it is no longer faster than the cycle process. Any supplier wishing to serve new large loads that were unprecedented at the time of filing an interconnection request for TC1 or TC2 has until April 2026 to submit a request through Cycle 1.

Expedited Interconnection for Energy-Only Requests

- There is strong interest among suppliers for an energy-only generator interconnection product.
- At present, PJM's de facto energy-only product uses unduly conservative study assumptions in certain cases, meaning these requests are essentially being studied for full deliverability despite not requesting or needing it.
- This results in unnecessarily high network upgrade costs, incentivizing these resources to instead request full deliverability and capacity interconnection rights (CIRs), which are a scarce resource and would generally be better allocated towards resources with higher ELCCs.
- By better aligning how it studies energy rights with a connect-and-manage framework, PJM would incentivize resources that don't need CIRs to elect an energy-

only product, thus preserving CIRs for resources that need them more, and enabling more UCAP to be provided per unit of transmission.
- This could have the added benefit of getting more energy onto the system sooner: given energy-only resources would be less likely to drive network upgrades, in many cases they could accelerate to GIA execution following Decision Point 1.

BIGPAL

- We are supportive of PJM and TOs working together to identify ways to operationally link generation and load to mitigate adverse effects on the system.
- Generation and load that is willing to be curtailed for reliability and resource adequacy purposes should be studied in a manner that is commensurate with this level of reduced service.
- Done right, this should allow interruptible, operationally-linked generation and load to be studied and come online more quickly, which supports state and federal policy objectives.

DR Enhancements

- As proposed in our initial comments, we support the introduction of new bounded demand response products, both in terms of calls per year and duration per call, with accordingly discounted ELCCs. These bounds are essential for managing tail risk, which will help to encourage uptake. These new products should be available to all market participants.
- We support the introduction of a new voluntary interruptible load product that curtails load immediately before any residential customer. This should be accredited as a new DR product with its particular attributes reflected in its ELCC.
- We support removing practical barriers that may increase uptake of the price responsive demand (PRD) product, including allowing customers to use the product who are not on retail tariffs that are back-to-back with energy prices, but caution against assuming that this product has equivalent resource adequacy value to the standard DR product. 30-minute DR can be called even when prices are lower than $1849, which makes it a more valuable capacity resource than PRD. To accurately measure supply and demand in the capacity market, PJM must accurately accredit the reliability value of PRD in terms that are fungible with other sources of UCAP.

Price Collar

- PJM should honor the position it took in ER25-1357 when it proposed to sunset the price collar for DY 28/29.
- The primary objective of the capacity auction is to find the accurate price for capacity given market fundamentals. Market participants must respond accordingly—if the price is high enough, suppliers will bring more resource adequacy online, and buyers will go out and sign long-term offtake agreements for capacity at a price that is more suitable to them to hedge their exposure, in turn supporting new entry.

- Continual use of the price collar sends a clear message to the market – that it cannot rely on PJM to allow for market-based price formation when buyers don't like the results. The message fundamentally undermines developers' ability to underwrite future capacity prices at the elevated levels needed to accelerate new entry of resource adequacy, and their ability to garner finance or off-take contracts that reflect such elevated price levels that would be expected in situations of acute undersupply. Similarly, it would discourage buyers from hedging high future prices, which is an important driver of new entry.

Surplus Interconnection

- While PJM recently made constructive changes to its surplus interconnection product in ER25-712, barriers remain in place that render the current process ineffective.
- One major issue of concern is that under the current process, a surplus addition can only access the CIRs of the existing resource if it becomes a hybrid resource ("hybrid configuration"). Surplus additions that elect to come online as an independent resource ("co-located configuration") can only participate in the markets as energy-only.
- More often than not, developers will be attempting to add surplus resources to operating assets that have existing off-take and financing agreements that make it practically infeasible to add a surplus resource in a hybrid configuration. The co-located configuration is thus often likely to be the preferred option.
- For surplus to be successful at supporting the system's resource adequacy needs, it's important that PJM allow the surplus addition in a co-located configuration to be assigned the CIRs from the existing resource. In this case, the existing resource should be accredited based on a lower level of CIRs reflecting this assignment.
- This reform may help to unlock additional UCAP that can be studied in less than one year using an existing interconnection pathway.
- A workable surplus interconnection product will also increase the efficacy of any BYOG program.

Bilateral Contracting

- A robust bilateral contracting regime is critical to bringing new resource adequacy to the market in the amounts needed.
- In support of this, PJM stakeholders should endeavor to understand and address all barriers preventing robust bilateral markets, including those outside of PJM's jurisdiction.
- One way to move toward this might be to ensure that load shed is back-to-back with the net capacity positions of LSEs. If an LSE is relying more on the market, and the market is short, then that LSE should be prioritized for load shed than an LSE that has covered its position.
    - An LSE's capacity position should be established through showings to PJM. Showings should happen for each delivery year and should compare each

LSE's capacity procurement obligation to the amount of capacity with which it has contracted in UCAP terms.

- PJM should also consider the appropriateness of the 3-yr forward market, which complicates forward hedging and thereby erodes the bilateral market.

Seasonal Markets

- Seasonal markets increase the hedging value of capacity resources by mitigating ELCC volatility. Changes in ELCC are driven primarily by changes in the relative amount of reliability risk that PJM's model identifies in each season. As the relative share of risk increases in the winter, resources that perform well in the summer (e.g., solar, batteries) see declining ELCCs. This risk balance is sensitive to inputs that can change on short notice, e.g., the introduction of additional weather history, the load forecast, or the anticipated supply mix.
- Seasonal markets can go a long way towards resolving this uncertainty—seasonal accreditations do not change as risk moves between seasons.
    - Rather, prices change, but prices have long been something that load is happy to take on in off-take agreements, since this functions as a hedge for them.
- This would make ELCCs more stable, which in turn make it easier for suppliers to underwrite capacity market revenues. Furthermore, this reduction in uncertainty would better enable loads and retailers to manage a book of off-take arrangements and reliably hedge their capacity market exposure, making them more likely to enter into medium- and long-term off-take contracts, in turn further bolstering the ability for new resource adequacy to reach final investment decisions and raise project finance.
- Additionally, seasonal markets would align performance obligations with resource capabilities (e.g., a solar resource will have a high obligation in the summer and a near zero obligation in the winter), which reduces nonperformance penalty risk.
- PJM's ELCC forecast analysis reveals an overwhelming amount of winter risk. A rational market would respond by seeking to bring on new sources of winter capacity, motivated by load hedging through contracts with suppliers for UCAP, and loads would aim to reduce their peak demand during these intervals. Neither of these things are happening as they should today.
- In support of this, PJM should align capacity cost allocation hours with peak risk hours so that customers and markets are appropriately incentivized to pursue energy efficiency, which is also a well-performing winter resource. Under today's framework, LSEs are charged for capacity based on their peak summer demand. In the auction, PJM is procuring capacity based on demand during peak risk hours, which are overwhelmingly in the winter. Thus, an LSE has no incentive to install energy efficiency and reduce its consumption during peak winter hours because it will still be charged for capacity based on its consumption during the summer. This would be much easier to manage under a seasonal market, where each season's capacity costs were allocated based on some measure of that season's coincident peak or time of system stress.

East Kentucky Power Cooperative (EKPC) Stage 4 CIFP Large Loads: Comments on Packages

Package Sponsor	EKPC Comments
PJM	• We support most of PJM's proposal; however, we believe it does not go far enough to discipline the entry of Large Load to best ensure there is sufficient capacity for all load in the PJM region to be served reliably. • Our proposal adds a requirement that the LSE for the Large Load be identified before the Large Load is included in a Large Load Adjustment that affects the load forecast used to establish the VRR curve. • Also, with respect to the load forecast improvements, we are uncertain whether the requirement to inquire about duplicative requests creates an obligation to obtain information that the EDC/TO may have no authority (or practical ability) under law or contract to obtain, verify, or share. • We generally support PJM's EIT proposal, with the exception of the state sponsorship requirement. We find the state sponsorship requirement problematic for regulated entities. In states like Kentucky, it is anticipated that the state would have a concern about pre-judging a project that must go through a CPCN proceeding and secure a favorable order from the state. Our preference would be to require the LSE serving the Large Load provide evidence that it has planned for or secured the resource and allow it to determine if it could manage all required processes to meet the in-service date expectations of EIT. • We oppose PJM's PRD liberalization proposal as it raises concerns about free-riding and cost shifting.

Dominion	• We support Dominion's proposal with the exceptions of the PRD elements and flexible DR rules associated with bilaterally contracted adjacent load and generation. We are concerned about free-riding and cost shifting that could arise from these options.
	• Dominion's Load Entity Capacity Deficiency Penalties are conceptually similar to EKPC's LSE obligation/penalty proposal.
	  ○ Dominion recommends procuring 70% of all load obligation in the BRA and securing the remainder in the IA, with penalties for any shortfall; EKPC proposes that the LSE cover 100% of its obligation attributable to the Large Load.
	  ○ Additionally, unlike EKPC's proposal, Dominion is phasing in the penalties associated with the requirement. Although sensitive to the market impacts of immediate implementation, EKPC is most concerned about implications of not having sufficient generation resources available to supply the new large loads that are interconnecting to the grid.

DR Coalition	• We do not support the proposed changes to DR products or to the PRD construct. These proposals raise concerns about free-riding and cost shifting. • We, however, agree that if the LSE serving the Large Load utilizes that load as a recognized, existing DR product, then that should be recognized as resource available to meet the LSE's capacity obligation.

PA OCA/ MD OPC	• We completely share the concern that "LLAs without sufficient capacity may interconnect to the system and cause rolling blackouts and runaway energy prices."
	• We fully support an approach to addressing the concern that is focused on the obligations of the LSEs that serve the Large Loads. Such LSEs must secure sufficient capacity to serve these loads.
	• We have concerns, however, with requiring that all the capacity needed to supply the Large Loads must be new, incremental capacity.
	  ○ As a state regulated generation and transmission owning electric cooperative, our investment in generation resources (owned resources and bilaterally contracted) is "lumpy." Any existing resources we secured should be available and recognized by PJM as offsetting our load obligation and not be assumed to be serving others' existing load. In other words, we should not have to pay twice to satisfy our customers' capacity obligation.
	  ○ Additionally, although the large loads are exacerbating the supply/demand imbalance in the region, reliance on the RPM as surplus has declined combined with insufficient contracting/self-supply by many LSEs has contributed to the market price escalation and load shed risk for all in

	the region. LSEs should be encouraged to enter into bilateral contracts with existing resources as well as consider self-build, as appropriate under state law. • Moreover, we appreciate the interest in having any new generation locate in the smallest LDA associated with the Large Load. However, this suggestion does not account for the ability for capacity to be imported into the area and potential constraints/opportunities involved in selecting appropriate sites for generation resources to locate. This level of proscription likely is unnecessary and may have unintended consequences that frustrate the objective of building out the generation needed to keep pace with the economic development happening across the region. LSEs are incented through the price signals to locate generation supply to minimize the mismatch between the price their generation supply receives and the price of their load obligation. Additional proscription is not necessary.
SMECO	• Although we do not support PJM's liberalization of PRD rules, should the PJM Board decide to adopt them, we encourage the Board to include the modification proposed by SMECO. SMECO proposed adjusting the PRD strike price to $1,000/MWh from $1,849 to partially mitigate the anticipated cost shifting that will arise from Large Loads connecting and relying on the capacity resources secured by other load.
Data Centers, Governors, Exelon & PPL	• There are favorable elements to this package. However, we believe it does not go far enough to discipline the entry of Large Load to best ensure there is sufficient capacity for all load in the PJM region to be served reliably. It is focused on speed to interconnect large loads, wherein large loads are incented to match with generation resources. There is no mechanism to defer the interconnection of other large loads that are not seeking to match with capacity resources. ○ We support the load forecasting elements of the proposal and would add our LSE obligation component to what large loads should be represented in the LLA that is used to establish the forecast for the capacity market. • We support design enhancements that increase demand flexibility in real-time. However, the proposed limited DR and curtailment procedures are not equivalent to capacity resources and are not sufficient to treat large loads as firm, however. • PJM is able call its emergency procedures in whatever order it deems necessary to maintain reliable operations. PJM must retain this authority. All DR that seeks to be an eligible capacity resource must have comparable obligations to curtail; only in such way can PJM attempt to serve all loads with comparable firmness of service. Allowing some customers to offset their capacity obligation with a less firm capacity product and more restrictive curtailment obligations. If, however, some customers desire less firm service, then it may be appropriate to require they curtail in advance of customers that desire firm service. • We generally support the voluntary BYOG as it is a concept aligned with our LSE-centric proposal. • We support expansion of EIT to additional projects. Minimum interconnection via ERIS or equivalent is an available pathway to getting generation online, but it is not necessarily deliverable to large load (to be tested) and is not generally deliverable to network loads, so is not treated as capacity in PJM. • While sympathetic to the affordability concerns driving the proposal, consistent with our Protest against the 2027/28 -2028/29 DY price collar, we oppose extending the price collar to 2029/30 DY.
PJM Legislators & NRDC	○ We share the overarching concerns that this package is being advanced to address. ○ For those elements of this package that mirror the Data Centers, Governors, Exelon and PPL package, we reference the comments we offered on that package. ○ Requiring "new" generation be brought online to serve the new Large Load limits the ability of LSEs that have prudently planned and secured sufficient capacity, either owned or contracted, to serve that load. Also, requiring that all the generation to serve the load be located in the zone of the Large Load ignores the benefit of transmission capability into the zone. We agree with the need to build generation in a zone with increasing load, but have concerns that a prohibition against resources outside the zone may hamper efforts to build out sufficient generation to meet needs across the PJM region. We reiterate the comments that we offered to the PA OCA/MD OPC in this regard. ○ Also, requiring Large Loads to be curtailable by PJM even if the LSE has secured sufficient owned and bilateral capacity resources results in an untenable position for responsible LSEs. The LSE would have secured and be paying for capacity to meet all its customers' obligations, and still would be subject to

	curtailment. We reiterate the concerns we previously raised on the PJM NCBL proposal in response to this proposal. This proposal could create the perverse incentive for LSEs to not secure resources and undermine competitive features in the market. ○ Also, PJM does not have a workable mechanism currently in place that can surgically interrupt specific large load customers and guarantee no adverse impact (price or reliability) on any other firm load customer. ○ We do not support a holdback of any load properly included in the forecast from the BRA. PJM's reformed load forecast process should ensure the load is accurately represented. Holding back the load will not send the correct signal to the market in advance of the need, and delay will further undermine the ability of the market to satisfy the needs of the region. While sympathetic to the affordability concerns driving the proposal, consistent with our Protest against the 2027/28 -2028/29 DY price collar, we oppose extending the price collar to 2029/30 DY.
LS Power	○ We appreciate that LS Power's proposal is focused on harnessing competitive market forces to drive investment. We are uncertain about the incentives for new generation created by the two-tiered pricing structure. ○ We agree that any extension of the Price Collar should be rejected. ○ We support an objective of accelerating the Interconnection Process to 10 months; however, we look to PJM to determine when they are confident that they could expedite the full interconnection process in that fashion. ○ We are intrigued by the 7-year price lock concept and want to understand how this differs from what had been in place in ISO New England. We have some concern about different price certainty durations between planned generation, not yet in service but with an RPM commitment, and planned generation, not yet in service without an RPM commitment. Similarly, we have concerns about the treatment of "existing" generation that recently came into service but tantamount to "new".
PSEG	○ We support PSEG's load forecast proposal and would add our LSE obligation component to what large loads should be represented in the LLA that is used to establish the forecast for the capacity market. ○ We also support the proposed change to allow more new generation projects to be studied in PJM's proposed EIT process. However, the requirement that the state decide what projects comply could be problematic for regulated states. As we noted in response to PJM's proposal, in states like Kentucky, we anticipate that the state would have a concern about pre-judging a project that must go through a CPCN proceeding and secure a favorable order from the state. Our preference would be to require the LSE serving the Large Load provide evidence that it has planned for or secured the resource and allow it to determine if it could manage all required processes to meet the in-service date expectations of EIT. In this situation it is an LSE supported resource, not a state supported resource. ○ We have not yet formed an opinion on sub-annual capacity market design options.
Joint Stakeholders	○ We support the Large Load Forecast "Reality Check" proposal would add our LSE obligation component to what large loads should be represented in the LLA that is used to establish the forecast for the capacity market. ○ We do not support limited demand response products with restricted interruption times. Large Load Additions that want to participate as DR should follow current DR rules. ○ We see potential in the Reliability Backstop Alternative, provided costs are allocated to LSEs that fall short. ○ We do not support extending the Price Collar, consistent with our Protest of the 2027/28 – 2028/29 DY Price Collar.

November 17, 2015

To: PJM

From: MAREC Action

RE: Comments on CIFP – Large Load Additions Options

MAREC Action is a coalition of utility-scale solar, wind, and energy storage developers, alongside manufacturers of wind turbine and solar panels, focused on driving renewable energy growth in the Mid-Atlantic region. MAREC Action has been following the CIFP-LLA stakeholder process with great interest as we have a vested interest in trying to ensure that our industry is not disadvantaged by PJM's various options for large load interconnection. Recently, PJM introduced its updated package that included changes to load forecasting and the Expedited Interconnection Track (EIT). We wholeheartedly agree with the need to ensure load forecasts are as accurate as possible and applaud PJM's initiative on this front, but do not agree with the EIT as proposed. We respectfully request that PJM's proposal be refined, consistent with the below comments.

PJM Should Modify Its Proposal to Enhance Resource Adequacy

Many different ideas have been brought forth by stakeholders in a multitude of proposals. We urge PJM to work with proposal sponsors to incorporate some of the best ideas into PJM's proposal. What we think PJM should support and work to include:

1. A voluntary BYOG element along the lines of the BIGPAL proposal and the one endorsed by the 4 Governor's & DCC Coalition.
2. New demand side products such as the voluntary large load limited DR brought forth in the Joint Stakeholder Package. We emphasize that this should be voluntary, and do not support the mandatory constructs that have been proposed.
3. While not directly related, we strongly support PJM adding to the filing the proposal for a multi-year price lock when the capacity auction is short and inclusion of the MN8 CIRs for Surplus Additions proposal. Additionally, we support the requests to modify the energy-only interconnection process to facilitate faster connection of these resources. All of these would greatly enhance resource adequacy in PJM in the short term.

The EIT Needs to be Adjusted if Implemented

We are particularly concerned about the EIT proposal and do not believe it to be necessary or (as proposed) equitable.

We respectfully request that you consider the following points:

- As with the recent RRI, this will impact currently queued projects, many of which have been waiting for years to get their studies done and costs stabilized.
- The change to a 250 MW UCAP minimum along with the way PJM calculates ELCC values will make it virtually impossible for renewable developers to participate. We strongly urge PJM to lower the required level to 50 MW UCAP to allow more resources that can meet the other strict requirements to contribute to reliability. At the very least, keep the level at 100 MW UCAP, as was the case with the prior proposal.
- Making this a permanent system with no plans for sunsetting will lead to renewable resources becoming permanent second-class citizens continually bearing the brunt of the impacts on interconnection and network upgrade cost responsibility. In our view this is unduly discriminatory.

We appreciate that PJM has included in the final proposal some elements from the voluntary BYOG proposals put forth by the 4 Governor's & DCC Coalition. However, it still does not allow certain fuel types to participate. Please consider adding the following:

- As noted above, lover the minimum value and, importantly, allow for a portfolio of projects to qualify to meet the requirement.
    - If this requires more work on PJM's part we would respond that administrative issues should not get in the way of resource adequacy and developers are willing to pay for more administrative help, such as hiring their own consultants.
    - If it is logistically difficult to deal with multiple companies signing individual GIA's, it is possible for the companies/projects involved in the portfolio to create a separate LLC that represents that portfolio.
    - We understand that restudies and cost allocation could become a problem if one or more of the projects in a portfolio drops out. Solutions for this could include a provision of 'all or none' for the portfolio or that PJM does not do restudies and the remaining projects in the portfolio are still responsible for the original network upgrades. The companies themselves would work out their own contractual obligations in this regard.
- In order to protect the cycle process from queue jumping, EIT requests should be studied using the Phase 2 or Phase 3 model from the cluster that has most recently been opened.
- It is crucial to include a sunset provisions. With the 3-year in-service requirement, this means that these projects would potentially be coming on-line in the 2030/31

timeframe, or later if extensions are granted. The resource adequacy crisis will likely be nearing its end by then as generation and transmission development catch up with the growing load. There is no real reason to leave the EIT in place for more than 1 or, at most, 2 years.

PJM Should Reject Mandatory Constructs and Proposals that Need Additional Stakeholder Discussion

Many other proposals include elements that we do not think are appropriate to include at this time, some of which would require more extensive stakeholder engagement and discussion.

- We do not support any type of mandatory NCBL-type or BYOG-type constructs.
- While we are sympathetic to consumer cost concerns, we believe state regulatory constructs are more appropriate and effective for dealing with cost allocation and cross-rate-class subsidization issues.
- Proposals for mandatory hedging and multiple clearing price constructs are interesting but need much more comprehensive discussion and PJM should continue the conversation as soon as practicable. Bilateral contracting is one of the most important things needed to get demand to bring on new capacity resources and can be tackled through the regular stakeholder process.

We respectfully request PJM consider the above.

Thank you.

MAREC Action

OFFICE OF THE ATTORNEY GENERAL
OF THE STATE OF ILLINOIS
MEMORANDUM

To: Michele Greening, Chair, Critical Issue Fast Path – Large Load Additions
Matt Connolly, Secretary, Critical Issue Fast Path – Large Load Additions

From: Susan L. Satter, Chief, Public Utilities Bureau
Scott Metzger, Senior Assistant Attorney General
Kimberly B. Janas, Counsel to the Attorney General

Date: November 17, 2025

Re: Feedback on PJM Critical Issue Fast Path – Large Load Additions – Stage 4

I. Introduction

The Office of the Illinois Attorney General on behalf of the People of the State of Illinois ("IL OAG" or "the People") appreciates the opportunity to provide feedback on the PJM Critical Issue Fast Path – Large Load Additions ("CIFP-LLA"). Illinois law directs the IL OAG to represent the interest of Illinois ratepayers in the provision of adequate, safe, reliable, cost-effective electric services.[1] For the more than 4 million Illinois customers served by PJM in the ComEd zone, the sudden increase in electricity prices[2] and the risk of blackouts, or "load dump," are primary concerns.

PJM systems are facing existing and planned unique and extraordinary large loads, used primarily for data centers to run artificial intelligence operations, that have resulted in unprecedented price pressure and resource adequacy and reliability concerns. This CIFP Large Load process is an essential and critical opportunity to address these challenges and protect the 67 million people, in 13 states, that rely on PJM to fairly manage both the electric grid and federal electricity markets.

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[1] 15 ILCS 205/6.5.

[2] In addition to the steep increase in capacity prices starting in the 2025-2026 delivery year, the IMM reports that overall electricity charges, including energy, capacity, and transmission, have increased more than 40% between 3Q 2024 and 3Q 2025. *See* Monitoring Analytics, Quarterly State of the Market Report, 3Q 2025 at 17-19, https://www.monitoringanalytics.com/reports/PJM_State_of_the_Market/2025.shtml *See also* Monitoring Analytics, Analysis of the 2026/2027 RPM Base Residual Auction Part A, October 1, 2025, https://www.monitoringanalytics.com/reports/Reports/2025/IMM_Analysis_of_the_20262027_RPM_Base_Residual_Auction_Part_A_20251001.pdf.

II. The Extraordinary Large Loads Seeking to Connect to the Grid Present Unprecedented Challenges That Require Specific Requirements to Protect the Integrity Of The Grid For Existing Customers.

The challenges presented by large load projects are tied to their disproportionate size. PJM has defined "large loads" as more than 50 MW and the Department of Energy has defined as more than 20 MW to match generator interconnection levels.[3] While these are minimum demand levels, large loads are frequently significantly greater. For example, in an ongoing Illinois Commerce Commission docket reviewing the connection of large loads to the Commonwealth Edison distribution system, the utility's witness testified that large load interconnection requests accounted for only 80 MW in 2019, but jumped to 652 MW in 2022, to 3,931 MW in 2024, and to an astonishing 8,272 MW in 2025. The average large load demand over the last twelve months equals 700 MW, which is roughly equivalent to the demand of 1,400 big box retail stores.[4]

The disparity between the size of these new large loads and other loads that connect to the grid require special treatment. It is not reasonable or even possible to treat literally hundreds of projects that match the demand of a small city as ordinary load[5] that can be accommodated by incremental increases in electricity supply. For states like Illinois that rely on federal electricity markets to provide electricity supply at a reasonable cost, the risks of: (1) insufficient supply to meet these large load demand projects, (2) skyrocketing prices both to provide incentives in the hope that increased generator revenues will cause them to meet the large load demand and in response to insufficient supply, and (3) electricity shortages leading to blackouts or "load shed," are unacceptable.

The People appreciate PJM efforts to address the issues presented by these large loads are necessary and welcome. Ordinary electricity customers – be they residential, small or large commercial, industrial, government – must be protected from the risks and spill-over effects of large load connections.

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[3] United States Department of Energy, Direction that the Federal Energy Regulatory Commission Initiate Rulemaking Procedures and Proposal Regarding the Interconnection of Large Loads Pursuant to the Secretary's Authority Under Section 403 of the Department of Energy Organization Act, Oct. 23, 2025 at p. 6, ¶7. https://www.energy.gov/sites/default/files/2025-10/403%20Large%20Loads%20Letter.pdf. *See also* FERC Docket RM26-4-000, which invited comments on the ANOPR.

[4] Ill. C. C. Docket 25-0677 (cons.), ComEd Ex. 1.0 at 6.

[5] Eliza Martin and Ari Peskoe, Extracting Profits from the Public: How Utility Ratepayers Are Paying for Big Tech's Power, p. 4 and fn 3, March 2025, https://eelp.law.harvard.edu/wp-content/uploads/2025/03/Harvard-ELI-Extracting-Profits-from-the-Public.pdf (City of Cleveland, Ohio has a 300 MW system). In Illinois, the city Naperville uses approximately 343 MW, has 60,000 meters, and a population of about 150,000. https://naper.org/utilities.

III. The IL OAG Supports Proposals That Require Large Load Projects to Bring Their Own Generation or Capacity ("BYOG" or "BYOC").

The IL OAG supports proposals that require large load projects to bring sufficient electricity to meet the needs of each individual project. This requirement is essential to protect consumers and necessary to ensure that large loads bear the costs they impose on the electric grid without imposing costs on the grid that was designed to serve literally tens of millions of much smaller, incremental loads.

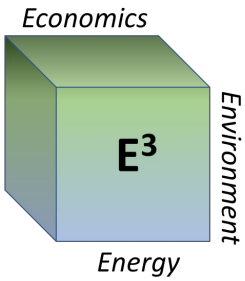
Of the many proposals under consideration in this CIFP Large Load process, the IL OAG supports the mandatory requirement that large load projects must **Bring your own Capacity (BYOC)**. Large Load Customers must ensure that the electricity they need is available and not already committed to other customers. The most direct and simple way to satisfy that policy is to require that large loads over 50 MW can only be connected to the bulk power system if they are paired with equivalent electricity generation. The proposals that meet this key policy are:

A. Mandatory. The IL OAG supports and joins the Pennsylvania Office of Consumer Advocate and Maryland Office of People's Counsel Joint Consumer Advocates proposal that requires mandatory BYOC as generation or as demand response that together must meet the new load, including the associated reserve margin, at the time the large load is connected to the grid. These resources must be located in the smallest applicable LDA and be new or not have cleared in a prior capacity auction. Curtailment or "non-capacity backed load" is not an option to offset supply requirements.

B. Mandatory. The IL OAG also supports PJM IMM Monitoring Analytics, Bring Your Own Capacity, or BYOC proposal as the most direct approach to enabling large load projects while empowering those same customers to acquire the power and capacity they need. Clearing both load and generation simultaneously achieves the goal of insulating other customers from both the energy price effects (price increases) and the capacity price increases seen in recent years.

IV. Conclusion

The People of the State of Illinois appreciate the opportunity to engage in finding solutions to this unique and unprecedented set of challenges facing PJM in its mission to serve the 67 million customers in its footprint. This Large Load CIFP process represents an ambitious timeline for addressing one of the most consequential issues facing the electric system. We remain optimistic that if PJM can work with stakeholders openly and collaboratively, a way forward can be crafted to ensure the reliability and affordability of the electric system for all users.



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Prepared Comments of E-Cubed Policy Associates on Behalf of Elwood Energy. LLC and Dairyland Power Cooperative Regarding the Large Load Additions CIFP Process

E-Cubed Policy Associates, LLC ("E-Cubed") provides this memo on behalf of PJM Member Elwood Energy, LLC owned by J-Power USA Ltd. ("J-Power") and newly approved PJM Member Dairyland Power Cooperative ("DPC"). While J-Power and DPC have not proposed packages in the current CIFP Process, they have been following this closely through E-Cubed. While J-Power is a merchant power generator, and DPC is G&T electric cooperative serving load in MISO, they both share a vision of achieving reliability through competitive markets.

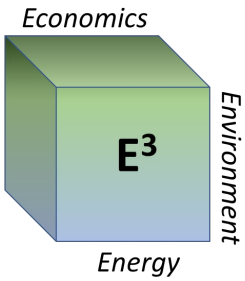
The PJM and the Board of Managers face what are seemingly difficult choices. The first is what is a resource adequacy issue that could potentially threaten reliability. The second is how to restore confidence in PJM's markets to attract needed resources or actions to ensure reliability.

Going back to Order 2000, the entire purpose of RTOs is to ensure reliability through competitive markets. FERC was clear in this mandate back in December 1999. Competitive markets will, and have, delivered reliability at the lowest possible cost consistent with what FERC expressed in its preamble to Order.

PJM and its Board must focus on market-based solutions, not command and control or wishful thinking, as is want of several proposal on offer to the Board under this CIFP Process.

In fact, the PJM Board has the option to reject all the proposals in front of them and pick and choose the very best from a large subset of proposals to meet the challenge PJM and its members face in the immediate future. We strongly suggest the following principles and ideas be incorporated into the Board's thinking as it deliberates what to file at FERC.

1) More action on the demand-side. PJM and others have proposed expanding the use of PRD to enhance demand flexibility to meet the reliability challenges. We applaud this direction. However, more needs to happen to make PRD a viable option. First, the ability to express the willingness to pay is likely to exceed the forthcoming maximum prices as filed in the Periodic Review on November 7, 2025. PRD should be able to express higher willingness to pay which not only gets demand off the system but also send better price signals for new supply side resources. We suggest looking at the proposal made by Advanced Power as a template for how to implement this.



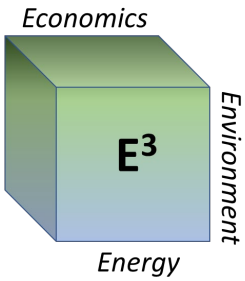
2) No artificial caps on pricing. The real cost of building new capacity, in particular new combined cycle gas, is in the range of $2000/kW to $2400/kW. Artificial price caps like the ones implemented for the 2026/2027 and 2027/2028 BRAs are counterproductive and will not support this new entry that is so desperately needed. The PJM Board should reject any such notion out of hand as being counter to reliability and competitive markets.

With respect to large Loads, the PJM Board should focus on market-based mechanisms that provide incentives for the large loads to reveal how serious they are about reaching commercial service. One way to accomplish this is to require large loads put up money in some way to show how serious they really are about coming into service. Below are some suggested principles to facilitate this idea.

3) The PJM Board should consider market-based mechanisms based on the core principles of the Reliability Assurance Agreement with consideration of making loads be balanced by contract as proposed by EKPC, Dominion, and Vistra. Failure to do so would result in penalties for LSEs that include large loads in their load forecast.
4) In the alternative the PJM Board could consider the innovative approach from LS Power that follows the principles what EKPC/Dominion/Vistra has proposed to incentivize large loads to contract with generation prior to the BRA otherwise face higher prices.

PJM and others have spilled a lot of ink and ideas on load forecasting enhancements with large loads. As described in points 3 and 4 above, it is not about forecasting, but it is about requiring those large loads to put up money in some way just as new generator interconnection customers must do. This can be done either through contracting with other generation or for LSEs to bear the costs (which they can pass on to the large loads) for creating an imbalance for an LSE to meet its requirements. Below is a suggested idea discussed during CIFP, but not a part of any package.

5) PJM has the option to file with FERC changes requiring Large Loads or the EDCs/LSE/TO who are submitting those loads in the load forecast process to put up large financial security as s how these large loads are serious about eventually coming into service. This would force the “sponsoring” EDC/LSE/TO to seek that same money directly from the Large Loads through changes to their retail tariffs. We have already seen how this has worked with AEP Ohio and AEP Indiana-Michigan Power with their data center tariffs.



Furthermore, the states, and in particular state commissions, have the power and ability to request large load information from their regulated utilities, but it appears many have chosen not to do so. Moreover, state commissions have the power to set retail rates and to smooth out dramatic cost increases as Maryland did nearly 20 years ago when it securitized cost increase coming off a rate freeze in 2006. More recently, in the wake of Winter Storm Uri, many states in the SPP footprint securitized the extremely high power and gas prices faced by their customers to avoid rate shock. The state commissions have agency and all authorities in such matters. This brings us to the next principle that brings us full circle PJM's mandate to ensure reliability through competitive markets.

6) PJM should not distort its markets in the service of mitigating retail rate shock. PJM's markets provide the signal for PRD, new entry, and the retention of existing resources. Capping prices and distorting these incentives will only further harm reliability. Resources cost what they do as determined by supply-demand conditions and other input prices out of PJM's control. PJM's job is simple: Allow markets to reflect these costs so that reliability can be maintained. Affordability and rate shock issues are the responsibility of the states. The states need to step up to the task and exercise their retail ratemaking authority to ensure affordability rather than pushing this onto PJM and the markets PJM operates.

Finally, we wish to emphasize the realities not just about cost, but about the time it takes to bring new resources to commercial operation. Wait time for frame gas turbines from major OEMs is at least 5 years. The waiting time for generation step up transformers is up to 3 years. Construction times are now approaching 48 months for new gas resources. PJM and the collective membership and other stakeholders need to set realistic expectations about how quickly new resources can be brought into service. While proposal to speed interconnection sounds great on paper, we must be realistic to understand they will likely not bear fruit.

This does not mean we give up. But what it does means is that PJM must adhere to support competitive markets and market principles without outside interference and not take on the responsibilities that state commission should be taking on themselves. If PJM follows a principled, market-based path, markets will respond with new resources and demand flexibility, and we will also likely see that large load growth is not as great as some load forecasts would have us believe. The states have a much greater role to play, and the authority resides with the state commissions to address the affordability issue.

Vistra Stage 4 CIFP – Large Load Additions (CIFP-LLA) Comments

Vistra appreciates the opportunity to provide comments on the CIFP-LLA process and the PJM proposal. Throughout the process, Vistra engaged with the PJM Board, staff, and stakeholders on a variety of ideas to address this important, timely, and complex issue. As part of that engagement, Vistra developed its Load Obligation Proposal, which we discuss below. While ultimately recognizing that this proposal represents a fundamental shift in how PJM and market participants approach capacity procurement that needs additional stakeholder development that was not possible in the CIFP's timeframe, we remain committed to the concept as long-term market reform and hope for continued engagement on the design components in CIFP-LLA Phase II or another stakeholder venue.

Vistra Load Obligation Proposal

Vistra's Load Obligation proposal is grounded in the principle that the capacity market is, and remains, the most efficient mechanism to ensure resource adequacy across the PJM footprint by facilitating trading between load serving entities (LSEs) that are long or short on generation. The capacity market's central clearing mechanism facilitates load service by market participants without generation which enhances competition for retail and default service.

Unfortunately, these objectives can be frustrated when LSEs collectively become over reliant on the capacity market to meet their load obligations. This is occurring in three distinct ways in PJM:

- In some traditionally regulated states, load growth has outpaced the development of generation.
- In some restructured states, some competitive suppliers have chosen to serve loads without physical capacity.
- New generation takes four to five years to develop so it may not be able to fully address resource adequacy needs in the near-term.

Vistra's Load Obligation proposal seeks to rebalance LSE activities to encourage additional load flexibility in the near-term and adequate supply in the medium- and long-term.

Ideally, capacity deficient LSEs would be curtailed before load that has contracted to meet its supply. Because operational realities prevent such an approach, a load obligation proposal would instead impose a penalty on capacity deficient LSEs that would be triggered either by one of two events:

- Planning Based Trigger: Under this approach an LSE who failed to secure a minimum targeted level of supply (i.e., 90%) prior to a specified planning horizon (i.e., ahead of the BRA) would be subject to a penalty.

- Operations Based Trigger: Under this approach a capacity deficient LSE would only be liable for a penalty during operational shortages such as a Performance Assessment Interval (PAI) or when Emergency Demand Response (DR) is called.

A hybrid approach could also be implemented, with a potentially lower planning threshold that would allow the LSE to cover the remaining deficiency during the period between when the planning-based trigger went into effect and any potential operational shortages.

Penalty levels (whether planning or operational) should encourage bilateral contracting to help the capacity market return to equilibrium. In other words, penalties need to be high enough to encourage bilateral trading, but not be so high that it puts undue pressure on bilateral contract prices.

All loads with resource adequacy requirements would be subject to the load obligation requirement as Load Entities (LE). While supply entities like generators would not be directly subject to any assessment, we believe their performance risk (and penalty for failure to perform) would be addressed in a bilateral contract.

Vistra appreciates the feedback it has received. Additionally, we are pleased that other stakeholders, including East Kentucky Power Cooperative and Dominion, have raised similar load obligation and penalty concepts in their proposals. We encourage PJM and stakeholders to continue working on mechanisms to incentivize and enhance bilateral contracting in either the CIFP-LLA Part II or another stakeholder venue.

Vistra Comments on the PJM Proposal, Data Center Coalition/Governors'/Exelon/PPL proposal, and Joint Stakeholder Proposals

Vistra provides these comments to provide general feedback on these proposals as the Board considers a path forward.

Load Forecasting

Vistra believes load forecast reforms are critical, and supports concepts included in all three proposals that seek to enhance load forecasting in the PJM region. Load forecasting reforms should be a priority for the Board. Much of the debate on solutions in the CIFP process were premised on different, and varied views on the magnitude of the impending large load demand in the PJM region. Through the CIFP process, it has become abundantly clear that PJM must enhance its load forecast process, and incorporate load forecasting rules into its tariff. Such enhancements provide needed transparency, add guardrails to ensure that load forecasts are not overburdened with speculative projects, and will help the region better appreciate the scale of the impending demand challenges as we consider needed reforms to meet regional supply needs. Indeed, Vistra believes the region should be cautious in undertaking out-of-market generation procurements if so doing is premised on the existing approach to load forecasting.

Demand Response and Load Flexibility

PJM's analysis of loss of load events when the capacity market clears less than the target installed reserve margin highlights the value of load flexibility to maintaining reliability in the near-term. For shortages of about 5,000 MW, the P 95 loss of load is only 8 hours and a little more than 4,000 MW per hour. Even the worst case scenario has 58 hours of loss of load and about 11,860 MW per hour of loss of load. This analysis suggests that a moderate amount of load flexibility can mitigate the vast majority of loss of load events, such that PJM should focus on incentives to enhance demand response and other means to obtain load flexibility.

Thus, Vistra is supportive of the reforms included in the each of the proposals that enhance demand response and load flexibility. These reforms are useful to the extent they recognize the ability of large loads to provide additional flexibility to the region as a means to addressing concerns of growing demand. While some proposals, like the Joint Stakeholders proposal, provide helpful suggestions for expanding the range of demand response options, none of the proposals provide comprehensive load flexibility reforms that would essentially provide incentives for large loads to provide the type of flexibility they are capable of. For this reason, Vistra supports a CIFP Phase 2 effort, but only to the extent such process addresses enhanced load flexibility reforms. Vistra does not believe there is a need for further process on a reliability backstop design.

Vistra believes that from a timing perspective, incentives for load flexibility are likely the most realistic path for addressing the near term demand challenges, to the extent impending load can avail itself of such incentives almost immediately. We are confident that near-term efforts to uprate existing plants and take steps to forestall retirements can effectively add additional capacity in the near-term, other approaches for bringing new generation online will take time, indeed several years due to supply chain issues, and the unavoidable timelines associated with new development.

PJM's Expedited Interconnection Track (EIT)

Vistra is supportive of efforts to bring generation online as quicky as possible. Vistra supported both the Reliability Resource Initiative (RRI) and the Replacement Generation Interconnection Process. However, Vistra is concerned that this proposal is unworkable for the region, particularly in the de-regulated states. Limiting eligibility to those resources that can receive a state endorsement/commitment to expedite generator interconnections will likely limit participation to only those states that have a regulated IRP type process that will allow for states to make such commitment. Vistra believes that several significant changes are required for it to achieve both the goal of bringing new megawatts online quickly and meet the Commission's just and reasonable and open access standards.

- Eligible projects should include projects with state commitment ***or*** an executed agreement evidencing that the project is intended to be used to address a resource

adequacy and/or reliability need. This is the same requirement that FERC approved for MISO's Expedited Resource Addition Study (ERAS) process. Importantly, projects should not require both a state commitment and a load or resource adequacy commitment (*See*, EKPC proposal).

- PJM should use the same in-service requirement that it will apply to replacement generation projects. This includes a planned in-service date no more than 4 years from date of application. That date would be used to develop the interconnection agreement milestones and could not exceed 3 years beyond the planned in-service date. This change will achieve the goal of bringing generation online quickly while also being responsive to development and supply chain realities.
- Finally, rather than a serial approach to processing projects, which can create a "rush to the queue" in which the best projects may not be selected, Vistra encourages PJM to use a criteria-based approach similar to RRI and consider projects based on total MWs, ELCC accreditation, transmission headroom, and readiness.

Vistra believes that with these changes the PJM proposal could help address any immediate resource adequacy challenge while PJM and stakeholders develop a long-term load obligation framework similar to Vistra's proposal.

Joint Stakeholders' Reliability Backstop Reforms

Vistra is supportive of many elements of the Joint Stakeholders proposal, but believes that reliability backstop reforms are unnecessary at this juncture, and thus should not be pursued in the CIFP Phase 2. Specifically, Vistra believes that the load forecasting reforms and enhancements to demand response rules and added incentives for load flexibility could suffice to meet the true impending demand facing the region. Vistra is concerned that the out-of market-reliability backstop procurement, if not sufficiently limited, could lead to overbuild, and result in long term deleterious impacts to the market, and in particular to the price signals that are critical to the efficient development and retirement of resources. Vistra believes that pursuit of such a design is premature, and urges the Board to instead focus on these other broadly supported in-market reforms, to see whether such reforms could fully address concerns of impending large loads.

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November 17, 2025

Re: Comments on PJM Critical Issues Fast Path (CIFP) Large Load Additions (LLA) Package

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Enchanted Rock, LLC. ("Enchanted Rock") appreciates PJM's leadership in addressing reliability concerns related to the interconnection of Large Load facilities and respectfully submits these comments to PJM on their provided Large Load Additions CIFP Stage 4 Package. The solution framework put forward by PJM, particularly efforts to facilitate an expedited interconnection track ("EIT"), are well-intentioned; however, the proposed package seems unlikely to draw a meaningful response from large loads as they continue to be stuck behind extremely long interconnection timelines. To "ensure large load additions can continue to be integrated rapidly and reliably"[1], Enchanted Rock urges PJM to move forward expeditiously to facilitate open discussions with the transmission owners, states, and loads to develop a fast-track process for large load additions ("LLAs") that provide flexibility via co-located, sponsored generation.

The Secretary of Energy's Advanced Notice of Proposed Rulemaking ("ANOPR") directive to the Federal Energy Regulatory Commission ("Commission") highlights the need to address interconnection bottlenecks on the generation *and* load side. More specifically, the ANOPR makes multiple recommendations that are relevant to the CIFP proposal development discussions:

1) "Third, to the extent practicable, load and hybrid facilities should be studied together with generating facilities. Such an approach will allow for efficient siting of loads and generating facilities and thereby minimize the need for costly network upgrades. For example, siting a large load near or at the same point of interconnection as a new generating facility could reduce the network upgrades needed to interconnect only the load or only the generating facility."
2) "Seventh, the interconnection study of large loads that agree to be curtailable and hybrid facilities that agree to be curtailable and dispatchable should be expedited. The system operator's ability to control such facilities through curtailment and/or dispatch must be sufficient for the system operator to integrate the facility into both operations and

[1] PJM Board Letter Regarding Implementation of Critical Issue Fast Path Process for Large Load Additions, August 8, 2025

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> system planning. This ensures the timely and orderly addition of large loads to the transmission system in a safe, reliable, and non-discriminatory manner. We seek comment on whether this should be accomplished through a serial interconnection study process or by some other means. We also seek comment on appropriate deadlines for such an expedited study process, including whether such studies can be completed in 60 days."

On the same note, ERCOT in currently considering related rules in the stakeholder process around Nodal Protocol Revision Request ("NPRR") 1284 and Planning Guide Revision Request ("PGRR") 134. The NPRR and PGRR would introduce models enabling the integration of flexibility within planning standards, mirroring the ANOPR's recommendations. Under NPRR 1284, large loads can commit to curtailment or self-supply within transmission-constrained regions until firm network service can be provided. If approved, subsequent rule changes under PGRR 134 would allow loads opting into ERCOT-controlled dispatchability to be studied as dispatchable in interconnection studies, expediting their interconnection to the grid.

PJM's proposed EIT for generation is an important step toward ensuring the reliable integration of large loads into the system. However, accelerating generation interconnection alone will not be helpful if the accompanying load continues to be stuck behind major delays. In coordination with the transmission owners and states, a joint evaluation of sponsored generation and LLAs would allow PJM to create an expedited pathway for load interconnection.

Enchanted Rock appreciates the opportunity to provide comments and welcomes further discussion as PJM refines their CIFP LLA package.

Sincerely,

/s/
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Eolian commends PJM and its stakeholders for the many ideas that have been put forth during the Critical Issue Fast Path – Large Load Additions (CIFP-LLA) process. The range of concepts that have been put forward to increase supply, ensure reliable operations, and protect affordability for consumers has demonstrated the commitment of PJM stakeholders to the overall functioning of the regional market. Eolian urges the Board to seriously consider both the specific concepts that have been proposed by stakeholders and the common themes among them. Notably, Eolian observes that, while stakeholders have proposed differing approaches to reach these goals, there is broad consensus that (1) large load customers should bear, and are willing to bear, direct exposure to the cost of bringing new generation online; and that (2) PJM must accelerate the pace at which new generation can be connected to the system specifically to serve large load customers.

Eolian has offered a workable option—Bilateral Integration of Generation Portfolios and Load (BIGPAL)—designed to meaningfully address those two crucial realities, and that could work alongside other tools to achieve the goals of the CIFP-LLA process. We have been grateful for the support and consideration of this proposal by PJM stakeholders. Both the PJM Legislators/NRDC[1] and Dominion[2] packages contain approaches to implementing a BIGPAL-style concept and we support either approach to implementation. The Governors/DCC/Exelon/PPL[3] package also supports further consideration of a BIGPAL-style concept, and BIGPAL could easily be integrated into that package as an additional component of it. The broad interest in BIGPAL is consistent with stakeholders' recognition that there is a need for creative solutions to bringing new capacity online in the PJM region.

While Eolian agrees that PJM has made great strides in regularizing and accelerating its processing of the interconnection queue, the timely completion of studies is in and of itself not sufficient to lead to rapid entry of new capacity. The recent TC2 Phase 1 study results are a red flag for the region's ability to add adequate levels of new capacity quickly given standard planning and operational approaches. As shown below, while some projects do have zero or minimal network upgrade costs, a significant amount of capacity is facing costs of hundreds of dollars per kilowatt of capacity and network upgrade completion timelines of up to 90 months.[4] In Eolian's experience, the completion schedule and economic viability of projects are challenged when faced with network upgrade costs above $200/kW. Notably, over 5 GW of capacity in the RRI program faces costs at or above this level.

[1] 20251119-item-02e---pjm-legislators-and-nrdc-package---executive-summary.pdf ("Incorporate BIGPAL-style local resource interconnection.")
[2] 20251119-item-02h---dominion-energy-package---executive-summary.pdf ("Large loads that bilaterally contract new or retiring adjacent generation that agree to offset demand or agree to be severed from the grid during pre-emergencies or emergencies will be excluded from an LE's new LLA obligation for the penalty, and the load and generation will not participate in the RPM. To incentivize this option, the load and generation will be studied together for expedited (6-month) interconnection.")
[3] 20251119-item-02d---data-center-coalition-governors-exelon-and-ppl-package---executive-summary.pdf ("Joint Proposal proposes…continued discussion on the feasibility of a separate physically proximate fast-track pathway")
[4] Transition Cycle 2; Eolian conducted the analysis shown in the figure informed by a Gabel Associates categorization of TC2 projects and costs published by PJM.

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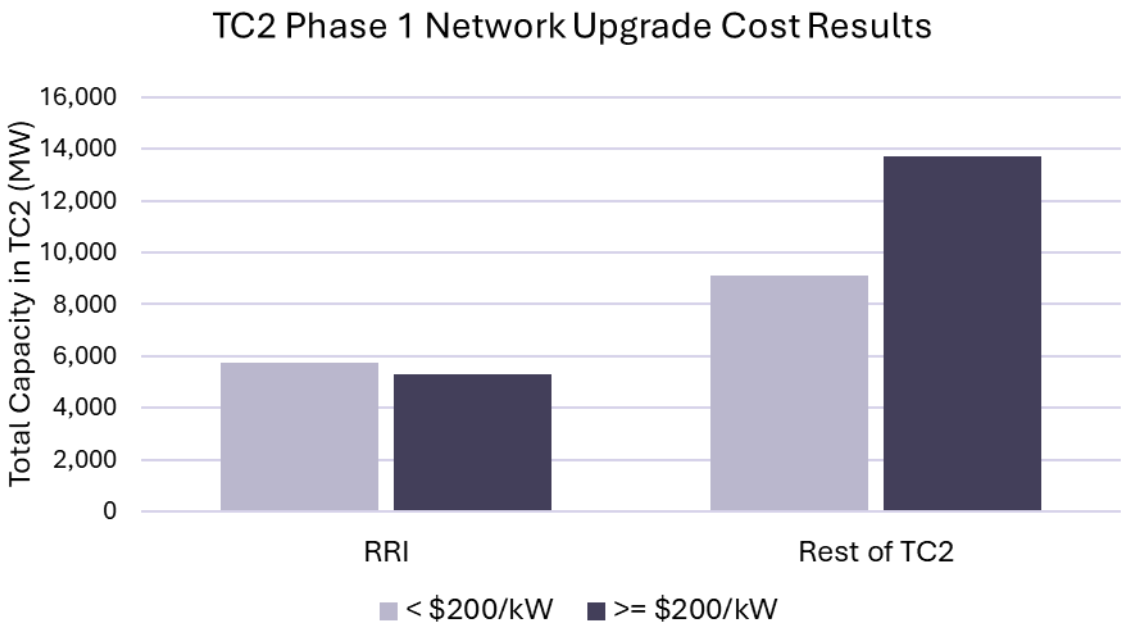

As a developer of storage and other energy assets, Eolian aims to contribute to the overall resource adequacy of the PJM region. As PJM itself has argued, however, the region is facing a near-term supply constraint. Indeed, if the region faces severe weather and poor generator performance, the impacts of this supply constraint may be felt as soon as this winter.[5] Notably, PJM exceeded its summer peak forecast[6] by roughly 8 GW[7] – only 7 weeks after that forecast was published.

In light of this urgent need to facilitate rapid entry of new capacity, Eolian retained Roselle LLP, The Brattle Group, and Elevate Energy Consulting to develop BIGPAL proposal.[8] BIGPAL is a technology-neutral approach designed to meet several pertinent goals including: supplying the capacity need of new large loads without incurring capacity market or other ratepayer impacts in the immediate term; avoiding the risk of ELCC volatility impacting the ability to form bilateral agreements between large loads and capacity resources; and, importantly, minimizing the need for (and therefore timeline to construct) network upgrades. BIGPAL can be implemented on either a permanent or a transitional basis for any specific project (i.e., BIGPAL resources can transition to full network access using existing queue and study processes). While originally proposed at a 90-day study timeline, BIGPAL would also have meaningful benefits for accelerating entry of new capacity resources given a longer study timeframe (for example, 6 months).

[5] PJM Winter Outlook: Adequate Power Supplies Available To Serve Growing Demand Under Expected Conditions | PJM Inside Lines
[6] PJM Summer Outlook 2025: Adequate Resources Available for Summer Amid Growing Risk | PJM Inside Lines
[7] 20250710-item-10---june-2025-hot-weather-update.pdf
[8] 20251014-item-03b---eolian-brattle-proposed-options.pdf

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Eolian and the BIGPAL team have discussed the BIGPAL concept with many stakeholders throughout the CIFP-LLA process, including PJM's operations and planning teams as well as several transmission owners, large load customers, and other independent power producers. The BIGPAL proposal is compatible with the majority of the packages that have been submitted for Board consideration and is not competitive or mutually exclusive with PJM's Expedited Interconnection Track or other BYOG approaches.

Elevate and Brattle have taken a rigorous approach to conducting technical diligence on the BIGPAL proposal and we are especially appreciative of the time and efforts of PJM's engineering staff on supporting this technical diligence. Following this technical diligence, we are confident that the BIGPAL concept is technically viable and implementable. We agree with PJM's planning staff that BIGPAL will not be a workable solution for all resources in all locations. However, given the urgency of PJM's resource adequacy needs, we believe that all solutions that can bring new capacity online in the near term should be brought to bear.

Eolian is aware that BIGPAL-style approaches functionally shift risk from planning (which is resolved through network upgrades) to operations. Risk management during operations is a challenge for any grid operator, and not one that we take lightly. Absent new approaches that enable new capacity to enter operation as quickly as new loads interconnect however, the resource adequacy challenge will worsen. We encourage the PJM Board to take seriously the reliability risks of resource inadequacy. Fundamentally, the operational challenges associated with managing project-specific contingency needs, while real, are lesser than the challenges to operational risk management posed by resource inadequacy.

As PJM staff, the PJM Membership, and the PJM Board consider the solutions proposals put forth by stakeholders, we urge the integration of BIGPAL into any eventual solution put forth to FERC, whether it be built upon the solutions put forth by PJM, the Governors/DCC/Exelon/PPL package, PJM Legislators/NRDC package, Dominion package, or any other alternative.

COMMENTS FROM SIERRA CLUB, EARTHJUSTICE, NEW JERSEY ENVIRONMENTAL JUSTICE ALLIANCE, AND IRONBOUND COMMUNITY CORPORATION REGARDING PJM'S CIFP PACKAGESTAGE 3 – LARGE LOAD ADDITIONS

November 17, 2025

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I. Introduction

Thank you for the opportunity to provide comments on PJM's Package Stage 3 ("PJM Proposal") for the Critical Issue Fast Path – Large Load Additions ("CIFP"). PJM's willingness to receive feedback and alternative proposals, and to revise its own proposals, represents a meaningful commitment to transparency and to finding solutions that meet stakeholder needs.

PJM faces a genuine challenge as projected large load additions, mostly in the form of anticipated new data centers, threaten to increase demand faster than PJM expects to add new supply.[1] This skyrocketing demand threatens grid reliability by raising what today are 1 in 10-year reliability events to 1 in 1-year events. It will impose extraordinary costs on existing ratepayers, in relatively conservative estimates putting the costs at over $160 billion over the next 6 years. The PJM proposal takes some small steps toward addressing these issues but fails to meet the moment and find meaningful solutions to these problems.

The PJM Proposal partially addresses the reliability threats through enhancements to demand response and expedited interconnection, but those enhancements are inadequate to the needs because they do nothing to ensure new large loads do not jeopardize reliability during actual emergencies. PJM's backtracking on addressing reliability in this process by abandoning its initial non-capacity-backed load and instead pushing the issue off to future stakeholder processes severely undercuts the purpose of the CIFP.

The PJM Proposal also attempts to address rising costs through improvements to load forecasting with an eye toward not overprocuring capacity. While improving load forecasting is important, the PJM Proposal will not meaningfully reduce the hundreds of billions of dollars in additional costs that existing ratepayers may incur due to the gigawatts of new large loads that PJM expects to seek interconnection every year for the foreseeable future.[2] It is not just and reasonable to force ordinary ratepayers—already facing energy affordability challenges—to bear the costs of a resource adequacy need caused by wealthy

[1] *See*, PJM, Scenario Analysis Supporting Large Load CIFP Problem Statement, 5 (Sep. 15, 2025), *available at* https://www.pjm.com/-/media/DotCom/committees-groups/cifp-lla/2025/20250915/20250915-item-05---cifp-scenario-analysis---presentation.pdf

[2] In September, PJM utilities dramatically increased their estimates for new large load additions from PJM's current 5 to 7 GW per year to 12 to 14 GW per year. *See*, PJM Load Analysis Subcommittee (Sep. 16, 2025), *available at* https://www.pjm.com/forms/registration/Meeting%20Registration.aspx?ID=%7b9D9CE44B-31E0-4849-8897-F41CA545BD50%7d

data centers. If new large loads require resource adequacy investments, new large loads should be responsible for those investments.

PJM should adopt a package that ensures that new large loads will not jeopardize reliability or drive up costs for existing ratepayers. Of approximately 25 proposals submitted in the CIFP process, only the Glatz-Ableman, Independent Market Monitor ("IMM"), Maryland Office of People's Counsel ("MD-OPC"), Natural Resources Defense Council ("NRDC"), Pennsylvania Office of Consumer Advocate ("PA-OCA"), and PJM State Legislators Collaborative ("State Legislators") proposals would address both reliability and price impacts of new large loads.[3] Since the November 7 CIFP meeting, there has been some additional consensus among several of these parties. PJM should follow the lead of these stakeholders in adopting a package that includes some combination of the solutions from those proposals to maintain reliability and limit unjust impacts on existing ratepayers.

II. The Process Improvements of the PJM Proposal Will Not Ensure Reliability or Just and Reasonable Rates

While the PJM Proposal contains changes to load forecasting, generator interconnection, and demand response, none of its components address the fundamental issues of reliability and just and reasonable rates.

A. PJM's improvements to load forecasting will not ensure reliability and just and reasonable rates

PJM's proposal begins with enhancements to its load forecast. These enhancements include potentially productive changes such as state commission review, duplicate request tracking, and third-party analysis. To the extent these improvements mitigate overprocurement of supply, they can promote just and reasonable rates. These are, however, process improvements without any substantive reliability mechanism. It is entirely possible to accurately forecast gigawatts of new large load additions and still lack new supply to keep up with them. The core problem with this unprecedented new load is not that we do not know it's coming. While improving load forecasting is generally helpful and may reduce costly overprocurement of supply, it does not address the reliability and cost issues associated with new large loads.

Additionally, PJM's proposal does not do enough to ensure that the large loads in the forecast are likely to materialize. Mere "inquiry" is insufficient. Enhanced load forecasting must put skin in the game for the large loads through certifications and penalties. For example, the Glatz-Ableman, Joint Data Center Coalition-Governor-Exelon, and MD-OPC proposals require PJM to only include new large loads with meaningful and verifiable commitments, much like FERC's recent Advanced Notice of Proposed Rulemaking.[4]

B. Product and process improvements for voluntary price responsive demand and expedited generator interconnection do not ensure reliability or just and reasonable rates

The PJM Proposal includes modifications to its price responsive demand and a new Expedited Interconnection Track for generation that has contractual obligations to serve new large load. However,

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[3] Some of these proposals have been modified and some have merged through the course of the CIFP process.

[4] *Interconnection of Large Loads to the Interstate Transmission System*, Docket No. RM26-4, Advanced Notice of Proposed Rulemaking, at P 21 (Oct. 27, 2025), Accession Np. 20251027-4001.

these measures do not do enough to ensure reliability. In particular, the voluntary nature of these changes means that they are only effective if large loads agree to participate. Moreover, the Expedited Interconnection Track ("EIT") will harm PJM's existing generator interconnection process and may actually slow the deployment of new capacity.

As many stakeholders have expressed throughout the CIFP process in both proposals and discussions, we can only ensure that new large loads do not jeopardize reliability through some backstop mechanism that puts the reliability risks on these new large loads rather than existing ratepayers. When PJM faces reliability emergencies, voluntary demand response programs may or may not deliver sufficient response. Similarly, bring your own generation without consequences for coming online without it means that new large loads will only bring their own generation when it is cheaper than free riding on existing ratepayers. PJM needs a mandatory fallback process that ensures that the large loads causing capacity shortfalls are the first loads that are taken offline. While we appreciate PJM's gesturing at the need for a reliability backstop, it should not wait until after the CIFP.

PJM's enhancements also fail to ensure just and reasonable rates. A new large load could enroll in PRD while still triggering billions of dollars in new capacity procurement. PJM should adopt a proposal that prevents new large loads that do not bring their own generation from increasing capacity prices for existing ratepayers. Several stakeholder proposals accomplish these goals, and PJM should incorporate components of those proposals. Examples include the Glatz-Ableman, MD-OPC, NRDC, PA-OCA, and State Legislators proposals.

We are especially concerned about the proposed Expedited Interconnection Track. While we support interconnection reform, the best way to bring new capacity online is to accelerate processing of the existing cluster-based interconnection queue. Reverting to a first-come, first-served serial study process—before PJM has even begun to process its first cluster in compliance with Order No. 2023—is a false solution. The proposed EIT will divert resources from studying supply in the queue at exactly the wrong time.

III. Conclusion

The PJM Proposal takes modest steps towards addressing the challenges posed by new large loads, but it lacks the safeguards present in other proposals to ensure reliability and just and reasonable rates. To meet the urgency of the moment, PJM should incorporate key elements from stakeholder proposals, especially those that are moving toward consensus following the November 7 CIFP. We urge PJM to put forward a proposal similar to the Glatz-Ableman, MD-OPC, NRDC, PA-OCA, and State Legislators proposals.

Thank you for the opportunity to submit these comments and your continued willingness to productively engage with stakeholders throughout this process.

Dated November 17, 2025

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Written comments of PSEG in PJM CIFP-LLA process

These are unprecedented times. The PJM region is confronting an urgent resource adequacy challenge and an "all of the above" approach is needed. The ultimate solution is to add new generation resources as quickly as possible to address the significant and ever-increasing supply/demand imbalance. However, it will take years to bring sufficient amounts of new generation on-line. Given the anticipated shortfall of generation by 2030 that PJM's CIFP-LLA effort is tasked with addressing[1], it is necessary to implement interim steps.

In this process, the PJM Board should focus on reforms that will (1) bolster confidence in – and help to ensure the accuracy of - the regional load forecast, which is a key input into both transmission planning and capacity market parameters and (2) expedite the interconnection of generation resources to address resource adequacy in as timely a manner as possible. PSEG's proposal fully accomplishes both of those critical objectives to best serve the needs of our customers. The Board may also decide to select elements of different stakeholder proposals to arrive at what it believes is an optimal package.

The Data Center Coalition/Governors and NRDC/Legislators have proposed extending the RPM price collar for another year. As the largest utility in the state of New Jersey, serving approximately 2.4 million electric customers, the needs of our customers are always top of mind for us. We support this extension from an affordability perspective to manage and mitigate capacity price increases in the short-term. We are keenly aware that NJ residents are hurting, and we are, and will continue to be, part of the solution. At the same time, this price collar extension will not address the underlying resource adequacy problem; therefore, it must be accompanied by meaningful steps to bring more generation on-line as soon as possible to ensure reliability and affordability for our customers, both in the short-term and in the long-term.

Load Forecasting Improvements:

An accurate forecast enables a clearer understanding of the magnitude of the resource adequacy problem, which will in turn better equip PJM, the TOs and other stakeholders to develop needed generation and transmission solutions to maintain reliable, affordable electric service for customers.

We believe that changes to PJM's annual load forecast process will minimize the risk of data center "double counting" and improve the transparency and accuracy of the load forecast. As a result, as our proposal outlines, we support (1) the use of bright-line criteria for inclusion of large loads in the forecast (2) memorializing rules in Manual 19 rather than relying on the Large Loads Adjustment guidance document (3) inclusion of a step for state commission review of large load data prior to incorporation into the forecast and (4) third-party validation of the large load forecast, working in coordination with the EDCs.

[1] https://www.pjm.com/-/media/DotCom/about-pjm/who-we-are/public-disclosures/2025/20250808-pjm-board-letter-re-implementation-of-critical-issue-fast-path-process-for-large-load-additions.pdf

We are encouraged to see that the Data Center Coalition/Governors proposal has recognized the importance of the changes we have proposed and has adopted elements of our load forecasting proposal.

Like our proposal, PJM's load forecasting proposal contains an added step in the process that provides state commissions with an opportunity to review large load adjustment requests within their respective state. However, PJM's contemplated reliance on national data center forecasts will likely miss state-specific or zonal-specific variations that are important to reflect to avoid either over-stating or under-stating actual large load requests.

Expedited Generation Queue:

PSEG supports the concept of an expedited interconnection track to bring state-sponsored resources online faster. Meaningfully tackling the resource adequacy problem in PJM will require bringing significant amounts of new generation supply on-line as soon as possible and will require working with the states – who have ultimate responsibility to engage in resource planning - to get this done.

An expedited generation track needs to (1) give all PJM states an equal opportunity to address resource adequacy and (2) be effectuated in a practical manner. In our proposal, we incorporate a trigger for initiating the expedited track that is directly linked to the resource adequacy problem - i.e. it is initiated when the capacity auction, based on BRA planning parameters, is anticipated to clear short of the RTO reliability requirement as calculated by PJM. We also remove the requirement (contained in PJM's proposal) that a participating project must reach commercial operation in 3 years or less. We believe this requirement is overly restrictive, impractical[2,3] and likely to rule out many larger-scale resources that are in fact needed to address the resource adequacy problem.

Certain proposals, including that put forward by NRDC, incorporate a voluntary Bring Your Own Generation ("BYOG") concept for future large loads, which in turn would be paired with a large load queue. While these concepts can be a part of the equation (and in fact the FERC ANOPR on Large Loads is currently considering a large load queue) PJM's focus in this process should be on the generation side of the equation – working with the states on state-sponsored generation solutions and trying to bring them on-line as quickly as possible.

Other Reforms:

We support PJM's initiation of a Phase 2 to this CIFP process that will examine fundamental changes to capacity market design. Specifically, we support (1) consideration of a sub-annual capacity market as a way to stabilize prices for customers and better reflect seasonal generator

[2] https://www.power-eng.com/gas/turbines/long-lead-times-are-dooming-some-proposed-gas-plant-projects/

[3] https://www.spglobal.com/commodity-insights/en/news-research/latest-news/electric-power/052025-us-gas-fired-turbine-wait-times-as-much-as-seven-years-costs-up-sharply

performance and (2) consideration of fundamental changes to the market that will send much-needed longer-term price signals.

Conclusion:

Resource adequacy is a fundamental and serious challenge for PJM, for asset owners like PSE&G with responsibility for system reliability and for all customers in the region. Tackling this challenge requires implementing an "all-of-the-above" approach. This includes an accurate regional load forecast, which serves as a critical first step to restore confidence in the market and help ensure that generation is built when and where it is needed. Putting in place an expedited queue for reliable, state-sponsored resources is also an important step. Extending the price collar for another year will bring short-term affordability relief for customers but much more will be needed. It will take all of us, across sectors, to create a plan that tackles both reliability and affordability for the future.

November 17, 2025

Michele Greening and Matt Connolly
PJM Interconnection, LLC
(Sent via Email)

Advanced Energy United Comments on Critical Issue Fast Path – Large Load Additions

To Michele Greening and Matt Connolly:

Advanced Energy United appreciates the opportunity to provide feedback and comments on PJM's Critical Issue Fast Path for Large Load Additions.

Advanced Energy United ("United") is a national association of businesses that works to accelerate the move to 100% clean energy and electrified transportation in the U.S. The term advanced energy encompasses a broad range of products and services that constitute the best available technologies for meeting our energy needs today and tomorrow. These include electric vehicles ("EV"), energy efficiency, demand response ("DR"), energy storage, solar, wind, hydro, nuclear, heat pumps (air- and ground-sourced), and smart grid technologies. United represents more than 100 companies in the $374 billion U.S. advanced energy industry, which employs 4.1 million U.S. workers.

United applauds PJM's efforts to provide clarity around the myriad and unprecedented issues associated with the dramatic increase in demand on the PJM system associated with large load additions and the implications for system reliability and consumer pricing. We also recognize the need to move as quickly as possible to establish appropriate rules on a timely basis given the speed at which new large load proposals are moving forward. However, we remain concerned that the PJM timeline for which was driven by PJM's stated need for a FERC filing in December 2025, was insufficient to fully address all the complex issues raised by large load additions, and we urge PJM to address future large load issues in more deliberate and thoughtful fashion.

The PJM region faces an unprecedented scale and pace of forecasted load growth that is raising serious doubt about the ability to affordably and reliably serve new loads. Competitive, regional markets are well suited to meet load growth affordably and reliably to the benefit of all customers, and the PJM region should strive to maintain these market structures.

However, the pace and scale of forecasted load growth is exposing a near-term challenge: markets cannot overcome the reality that the load forecast is growing faster than supply. In this context, temporary measures may be warranted, and PJM is justifiably conducting a Critical Issue Fast Path process to address Large Load Additions. Advanced Energy United offers the following recommendations to ensure that any solutions developed through CIFP promote reliability and affordability in the near-term while preserving the competitiveness of the PJM markets in the long-term.

1. **Promote expansion of demand response.** Demand response is a reliable, affordable capacity resource that can be deployed and expanded quickly. To encourage demand response participation in PJM's markets, it is critical that demand response remain the last line of defense during operational emergencies. Recommendations:

    a. Non-capacity-backed loads (those not bringing their own generation or participating in PJM's DR or PRD programs) should be deployed *prior to* Pre-Emergency or Emergency load management (DR) resources to ensure that DR is not left picking up the slack if reserve margins are diminished due to a significant influx of new large loads that is not matched with adequate capacity resources. New large loads participating in load management programs should be dispatched at the same time as Pre-Emergency and Emergency DR (not after.)

    b. Failure to follow this dispatch order will increase the cost of DR in PJM, discourage new market entry, and potentially lead to existing DR exiting the market due to event "fatigue."

    c. PJM should develop new DR programs open to <u>all</u> customers that may limit the annual number of hours dispatched, number of consecutive dispatch hours, number

of dispatches or other factors that may promote participation. It is understood that all such limitations will have the effect of lowering ELCC for such programs.

2. **Eliminate or tighten the *Expedited Interconnection Track* (EIT) to avoid disrupting the interconnection queue.** PJM's proposal includes an EIT that would allow up to 10 projects per year that have received "state sponsorship" and meet other eligibility criteria to proceed through a separate, 10-month expedited interconnection process. This action risks creating a discriminatory fast-track for certain resources while slowing down and taking interconnection capacity away from the regular interconnection process**. Advanced Energy United opposes the EIT.** However, should PJM move forward with EIT, United urges that the process be revised to minimize adverse impacts on projects in the queue and to ensure that the process is used only by projects that are truly commercially ready and unlikely to stall after receiving their expedited interconnection agreement from PJM. Specifically, the EIT should:

    a. **Require that "state sponsorship" includes certainty on permitting.** PJM data shows that roughly 30% of project delays after the interconnection process is complete are caused by permitting issues.[1] To avoid EIT projects getting caught up in permitting, this should be addressed upfront as an eligibility requirement.

    b. **Include a demonstration that projects have de-risked exposure to supply chain constraints.** This could include demonstration that the project has made significant financial commitments toward (1) advanced procurement of long-lead equipment (e.g., purchase order for high voltage equipment), and/or (2) secured a long-term fuel supply agreement (e.g., a precedent agreement), if applicable.

    c. **Require that projects be located electrically near to proposed large loads.** Electrical proximity will reduce the scope of network upgrades that will be required and enable more efficient and expedient interconnection for both the generation and load and minimize the risk of network upgrade delays (PJM data

[1] https://www.pjm.com/-/media/DotCom/committees-groups/subcommittees/ips/2025/20251010/20251010-item-04---construction-metrics.pdf, at 7.

shows that roughly 26% of project delays after the interconnection process is complete are due to some TO-related issue).[2]

3. **Not be limited to projects with a minimum size of 100 MW UCAP.** This eligibility criteria places an unnecessary restriction on the types of projects and technologies able to participate in EIT and is likely to unduly discriminate against projects otherwise able to meet the other criteria and potentially be deployed more quickly to contribute meaningfully to near term resource adequacy and reliability.

    a. **Include a sunset date.** To ensure that EIT does not upend the normal queue process and become the de-facto or preferred route for certain resources to connect to PJM's system, the EIT should include a sunset date no later than two years after its introduction.

4. **Ensure that treatment of large loads is transparent and avoids disrupting market signals.** Advanced Energy United does not oppose some measure to ensure that rapid entry of new large loads does not erode the region's resource adequacy in a way that adversely impacts existing customers, whether through voluntary curtailment, price-responsive demand, a "bring your own capacity" requirement, or some other means. Any such measure should be:

    a. **Transparent:** If large loads are asked to voluntarily be subject to curtailment, they need to know how this will be triggered and what the requirements are so they can make informed decisions about whether and how to enter the PJM region.

    b. **Temporary:** Especially if mandatory, any BYOC or curtailment solution should be temporary, with a clear timeline or trigger to return to normal treatment - such as when sufficient capacity is available to meet the reserve margin requirement.

[2] Id.

c. **Additive.** Any "Bring Your Own Capacity" options should include clear rules for BYOC that provide regulatory certainty and ensure that net new capacity is brought to the PJM system.

5. **Take all possible measures to improve load forecasts.** Understanding the scope of the problem the region is facing is critical to right-sizing our solutions. PJM's proposals to improve load forecasting are helpful but fall short of setting uniform and transparent parameters to ensure sufficient certainty about new large load entry. Additional financial requirements and withdrawal penalties should be considered.

Outside of the CIFP process, PJM should continue to prioritize implementation of interconnection reforms and further efforts to expedite interconnection of new generation and storage resources; efforts to optimize demand response and distributed energy resource participation; and market reforms to introduce seasonality into the capacity market and to better value the contributions of energy storage.

Separate from PJM's efforts, states should work to:

1) **Accelerate siting & permitting.** PJM data shows that roughly 30% of project delays after the interconnection process is complete are caused by permitting issues.[3]

2) **Adopt large load tariffs** to address the risk and opportunity presented by new large loads.

3) **Promote solutions that will improve affordability and reliability for all customers,** including virtual power plants and alternative transmission technologies.

4) **NOT upend regulatory structures.** Rapid, rash changes to state regulatory structures will not promote certainty and resource development.

[3] https://www.pjm.com/-/media/DotCom/committees-groups/subcommittees/ips/2025/20251010/20251010-item-04---construction-metrics.pdf, at 7.

United appreciates PJM's consideration of this feedback and looks forward to future PJM processes to address issues critical to managing costs and ensuring resource adequacy with large load additions.

Respectfully Submitted,

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