



# PJM Connect & Manage Package Updates

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June 10, 2026

- The first section of this slide deck provides the substantive changes to the PJM C&M package as follows:
  - Added definition for C&M Large Load
  - Updated C&M designation for new Large Load and Trigger
  - Updated quantity determinations for C&M
  - Updated cost allocation
  - Updated BYONC eligibility
- Additional content includes an updated timeline for initial 2027/2028 delivery year, C&M example, and the complete PJM C&M package.

	Redline Version	Clean Version
Large Load definition	End-use customer load that has a cumulative peak load quantity $\geq 50$ MWs at the Point of Interconnection	End-use customer load that has a cumulative peak load quantity $\geq 50$ MWs at the Point of Interconnection
C&M Trigger	<p>Final Delivery year RTO supply <math>&lt;</math> RTO reliability requirement. <b>Only triggered if there is new Large Load that did not BYONC.</b></p> <p>If C&amp;M is not <del>needed for a future DY</del> <b>triggered for three consecutive delivery years</b>, then all large load previously subject to C&amp;M will no longer be subject to C&amp;M for all future delivery years. <del>Exception is that large loads utilizing DR/DER for C&amp;M exemption will be subject to future C&amp;M unless C&amp;M is not triggered for five consecutive delivery years.</del></p> <p>C&amp;M will not have sunset provisions.</p>	<p>Final Delivery year RTO supply <math>&lt;</math> RTO reliability requirement. Only triggered if there is new Large Load that did not BYONC.</p> <p>If C&amp;M is not triggered for three consecutive delivery years, then all large load previously subject to C&amp;M will no longer be subject to C&amp;M for all future delivery years.</p> <p>C&amp;M will not have sunset provisions.</p>

	Redline Version	Clean Version
<p>Connect &amp; Manage (C&amp;M) designation</p>	<p>All Large Loads MW not in-service by 6/1/27 are considered new Large Loads <del>that are in the 2027 Load Forecast Table B9b for the 2027 year (includes large loads expected in Summer 2027) that are not in the Actual LLs (in MWs) for Summer 2026 and</del> are counted in the quantity determination for C&amp;M offset by BYONC. <del>The LL Actuals for 2026 will be finalized in the 2027 Forecast published in January 2027. Preliminary C&amp;M information can be estimated based on 2026 and 2027 Forecasted data from Table B9b in the 2026 LAS forecast. Existing contracts for Large Load that is not in the Actual LL for Summer 2026 are considered new LL-</del> If a load increases its peak demand after 6/1/27 the incremental load added after 6/1/27 would be considered new Large Load MW. This includes incremental load that causes an existing load to meet the Large Load definition when it had not previously met this threshold (e.g., if a 30 MW load ramps to become a 60 MW load then the 30 MW of new load would be considered New Large Load MW).</p> <p>Individual large loads are <del>determined</del> reported to PJM by the relevant Electric Distributor/TO <del>and may include additional large loads not included in table B9b.</del></p> <p>Load that is part of a Fixed Resource Requirement (FRR) Alternative Capacity Plan is excluded from Connect &amp; Manage; <del>FRR Entities with New LL that did not BYONC cannot satisfy their FRR obligations with Existing Generation Capacity Resources that are not owned or contracted by such FRR Entities as of June 1, 2027.</del></p>	<p>All Large Loads MW not in-service by 6/1/27 are considered new Large Loads and are counted in the quantity determination for C&amp;M offset by BYONC. If a load increases its peak demand after 6/1/27 the incremental load added after 6/1/27 would be considered new Large Load MW. This includes incremental load that causes an existing load to meet the Large Load definition when it had not previously met this threshold (e.g., if a 30 MW load ramps to become a 60 MW load then the 30 MW of new load would be considered New Large Load MW).</p> <p>Individual large loads are reported to PJM by the relevant Electric Distributor/TO.</p> <p>Load that is part of an existing Fixed Resource Requirement (FRR) Alternative Capacity Plan is excluded from Connect &amp; Manage; FRR Entities with New LL that did not BYONC cannot satisfy their FRR obligations with Existing Generation Capacity Resources that are not owned or contracted by such FRR Entities as of June 1, 2027.</p>



# C&M PJM Package Updates (cont.)

	Redline Version	Clean Version
C&M Delivery Year Total MW determination	If C&M is triggered, the C&M total quantity equals the <b>minimum of RPM RTO shortage (relative to the 1-in-10) or new Large Load (sum of all new Large Loads not included in the 2027 Load forecast as actual Large Loads (in-service Summer 2026) (minus BYONC)</b>	If C&M is triggered, the C&M total quantity equals the minimum of RPM RTO shortage (relative to the 1-in-10) or new Large Load (minus BYONC)
C&M TO/EDC Allocations	<p>TO/EDC assignments equals <b>the total quantity of new LL (minus BYONC) a pro-rata share of new Large Load (minus BYONC) associated with the RPM shortage. If RPM shortage &gt; new Large Load, then all new Large Load (minus BYONC) are assigned C&amp;M.</b></p> <p>The actual daily maximum allocated C&amp;M is <b>Not</b> limited to <del>total</del> the <b>minimum of RPM RTO shortage or new Large Load (minus BYONC)</b> .</p> <p><b>All TO/EDC assignments will be converted to ICAP using the FPR%</b></p> <p>Only MWs needed in a real-time capacity shortage will be used. This may not be all Connect &amp; Manage</p> <p>No consideration of constrained LDAs. All C&amp;M can be used.</p> <p>All PJM to TO/EDC allocations are in zonal MW quantities, not customer specific.</p>	<p>TO/EDC assignments equals a pro-rata share of new Large Load (minus BYONC) associated with the RPM shortage. If RPM shortage &gt; new Large Load, then all new Large Load (minus BYONC) are assigned C&amp;M.</p> <p>The actual daily maximum allocated C&amp;M is limited to the minimum of RPM RTO shortage or new Large Load (minus BYONC).</p> <p>All TO/EDC assignments will be converted to ICAP using the FPR%</p> <p>Only MWs needed in a real-time capacity shortage will be used. This may not be all Connect &amp; Manage</p> <p>No consideration of constrained LDAs. All C&amp;M can be used.</p> <p>All PJM to TO/EDC allocations are in zonal MW quantities, not customer specific.</p>



# C&M PJM Package Updates (cont.)

	Redline Version	Clean Version
Cost Allocation	<p>Loads that are subject to Connect and Manage are not assessed capacity charges. (PJM will adjust EDC RPM Load Obligations to reflect UCAP associated with new Large Loads assigned Connect &amp; Manage. EDCs required to provide C&amp;M MW by LSE on a daily basis for PJM to offset associated capacity charges.)</p> <p><del>Status quo: The EDC is responsible for uploading Obligation Peak Load data into Capacity Exchange for every LSE serving load in their zone/area during the Delivery Year.</del></p> <p><del>EDCs have the ability to update their procedures. For example, The EDC may adjust the Daily Capacity Obligations to reflect reduced obligations for LSEs with C&amp;M customers curtailed during events to reflect lower Capacity Obligations for those customers' LSEs, and distribution of those obligation reductions as increased obligations to the remaining LSEs in the EDC territory.</del></p>	<p>Loads that are subject to Connect and Manage are not assessed capacity charges. (PJM will adjust EDC RPM Load Obligations to reflect UCAP associated with new Large Loads assigned Connect &amp; Manage. EDCs required to provide C&amp;M MW by LSE on a daily basis for PJM to offset associated capacity charges.)</p>
Bring Your Own New Capacity (BYONC) Eligibility (DR/DER)	<p>DR/DER: New Load Management (Emergency or Pre-emergency DR) /DER. Any location that was not registered in DR Hub (includes PSA or PRD) for either the 26/27 or 27/28 DY unless the location represents a large load that was registered in a zone where there was a large load adjustment for the 27/28 DY for the first time in the 27/28 DY or the incremental amount from any location registered in 26/27 or 27/28 which was the result of <b>registration of an investment in</b> new generation or storage assets at the location. The UCAP is equal to the capacity committed through an RPM auction. UCAP used to offset C&amp;M will be calculated annually based on registrations that are approved for such DY by 4/1 prior to the DY.</p>	<p>DR/DER: New Load Management (Emergency or Pre-emergency DR) /DER. Any location that was not registered in DR Hub (includes PSA or PRD) for either the 26/27 or 27/28 DY unless the location represents a large load that was registered in a zone where there was a large load adjustment for the 27/28 DY for the first time in the 27/28 DY or the incremental amount from any location registered in 26/27 or 27/28 which was the result of registration of new generation or storage assets at the location. The UCAP is equal to the capacity committed through an RPM auction. UCAP used to offset C&amp;M will be calculated annually based on registrations that are approved for such DY by 4/1 prior to the DY.</p>



# C&M PJM Package Updates (cont.)

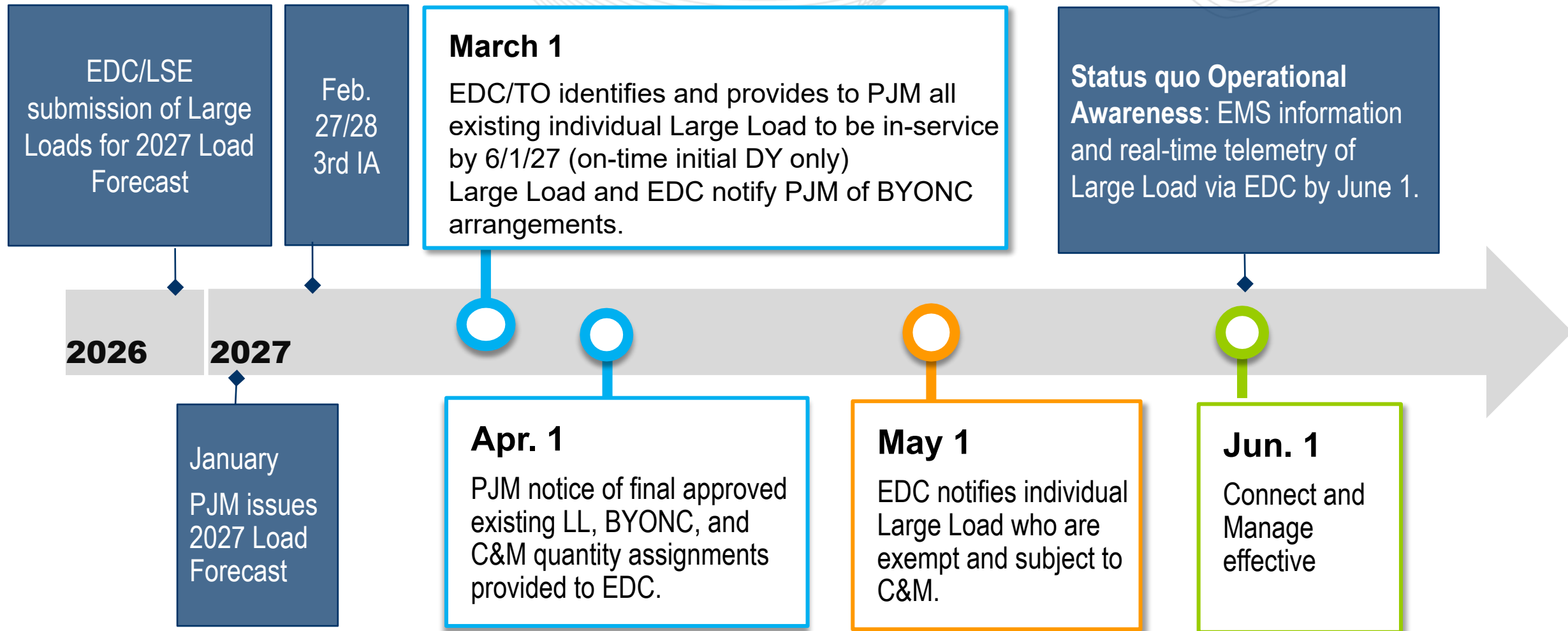
	Redline Version	Clean Version
BYONC Quantity (Initial and Maintaining eligibility)	<p>Generation and Storage: For a given resource type BYONC UCAP must be <math>\geq</math> Large Load (FPR% of Load) for initial year only. Maintaining: Cannot submit a Must Offer Exception <b>associated with external sales and must be a price taker in RPM Auctions while paired with Large Load that is still C&amp;M for 10 years</b></p> <p>Demand Response: BYONC UCAP must be <math>\geq</math> Large load (FPR%) for initial year. Maintaining: The BYONC ICAP MWs from the initial year only must be demonstrated <b>all future years for 10 years and must be a price taker in RPM Auctions for 10 years.</b></p> <p><b>BYONC does not need to be maintained if C&amp;M is not triggered for three consecutive delivery years.</b></p>	<p>Generation and Storage: For a given resource type BYONC UCAP must be <math>\geq</math> Large Load (FPR% of Load) for initial year only. Maintaining: Cannot submit a Must Offer Exception associated with external sales and must be a price taker in RPM Auctions for 10 years.</p> <p>Demand Response: BYONC UCAP must be <math>\geq</math> Large load (FPR%) for initial year. Maintaining: The BYONC ICAP MWs from the initial year only must be demonstrated for 10 years and must be a price taker in RPM Auctions for 10 years.</p> <p>BYONC does not need to be maintained if C&amp;M is not triggered for three consecutive delivery years.</p>
BYONC Verification	<p>Large Load must provide proof of BYONC (contract, etc.) to <b>both PJM and the EDC by March 1 before the effective delivery year. The EDC will provide this proof to PJM so that PJM can verify.</b> Final verification that the Large Load met BYONC criteria will be made by 4/15 before the start of the effective DY.</p> <p>Example: Executed a Power Purchase Agreement (“PPA) or similar contractual commitment with financial investment</p>	<p>Large Load must provide proof of BYONC (contract, etc.) to both PJM and the EDC by March 1 before the effective delivery year. Final verification that the Large Load met BYONC criteria will be made by 4/1 before the start of the effective DY.</p> <p>Example: Executed a Power Purchase Agreement (“PPA) or similar contractual commitment with financial investment</p>



# C&M Expected Responsibilities\*

Function	Action	PJM	TO	EDC	LSE	Large Load
Determination of new Large Loads	Provides to PJM the list of existing Large Loads in-service by 6/1/27		X	X	X	
	Verifies and confirms Large Load grandfathered status. (exempt from C&M)	X				
	Notified of Large Load of Grandfathered status.		X	X	X	X
BYONC	Provides proof of BYONC.				X	X
	Receives proof of BYONC.	X		X	X	
	Verifies BYONC	X				
	Notified of BYONC approval.		X	X	X	X
Forecasted Large Load for C&M	Provides forecasted large loads (LF adjustments).			X	X	
	Finalizes forecasted Large Loads.	X				
	Provides C&M area assignments.	X				
	Assigns individual C&M assignments.		X	X	X	
Operations	Provides C&M directive	X (Area)	X (Individual LL)	X (Individual LL)		
	Honors Grandfathered and BYONC arrangements		X	X		
	Reduces/switches load to be removed from transmission system		X	X		X
Settlements	Adjusts EDC RPM Load Obligations to reflect UCAP associated with Large Loads assigned Connect & Manage.	X				
	Provides C&M MW by LSE on a daily basis for PJM to offset associated capacity charges.			X		

# Timeline for Determinations of Connect and Manage Quantities (2027/2028 DY)



*Similar timeline will apply to future delivery years.*



# Example of Connect & Manage PJM Package



# C&M Example (All values in MW)

RTO RR	RT Supply	RTO Shortage
145500	143000	2500

Large Load	LL BYONC	Net LL C&M Eligible
6000	1600	4400

Total estimated shortage from Large Load =  $\min(2500, 4400) = 2500$

	Zone 1	Zone 2	Zone 3	Zone 4	Total
Non-Large Load	49000	29200	18000	43300	139500
Large Load	1000	800	2000	2200	6000
Total Load	50000	30000	20000	45500	145500
Large Load BYONC	300	800	500	0	1600
Large Load C&M (Eligible only)	700	0	1500	2200	4400
New Large Load C&M factor	$700/4400 = 0.16$	$0/4400 = 0$	$1500/4400 = 0.34$	$2200/4400 = 0.50$	1
Large Load C&M assigned	400	0	850	1250	2500
RPM UCAP MW for cost allocation	$50000 - 400 = 49600$	30000	$20000 - 850 = 19150$	$45500 - 1250 = 44250$	143000



# Connect and Manage PJM Package

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**This slide deck\* provides a detailed overview of the PJM package including:**

- Explain how PJM will define **New Large Load MW**.
- What qualifies for **Bring Your Own New Capacity (BYONC)**.
- Provides certainty on the interactions of RBP arrangement for new supply with C&M exemptions.
- Provides the Roles and Responsibilities.

\*All references to “EDC” in the PJM package refers to Electric Distributor as defined in the PJM Reliability Assurance Agreement

**What Is Connect and Manage?**

**Roles and Responsibilities**

**Trigger for Connect and Manage**

**Effective Date of Connect and Manage**

**Exemption – Bring Your Own New Capacity (BYONC)**

**Interactions Between Connect and Manage and Reliability Backstop Procurement**

**Quantity Determinations and Timeline**

**Assignment of Connect and Manage**

**Modeling**

**Operations**

**Cost Allocation**

**In the event of RPM/IA capacity shortages, PJM would require Large Loads MW be categorized as Connect and Manage (C&M) that do not elect to Bring Your Own New Capacity (BYONC).**

## **Connect and Manage Load:**

- No impact to RTEP or RPM (all load included)
- May be required to switch to back-up resources or reduce consumption from the transmission system during pre-emergency conditions if there is a shortage before DR.
- Transitional for delivery years where there is a shortage of available capacity to meet the PJM reliability requirement
- New Large Loads that are subject to Connect and Manage are not assessed capacity charges.

*EDC/TO will be responsible for ensuring load can be removed from the system, consistent with the operational requirements set forth.*



# Connect and Manage *Roles and Responsibilities*

## PJM's C&M package

### Wholesale/Federal Jurisdiction:

- EDC/TO identification of Large Load Additions and BYONC UCAP MW
- PJM verifications of EDC/TO-identified Large Load Additions and BYONC UCAP MW
- PJM allocation of C&M MW to EDC/TO



### Retail/State Jurisdiction:\*

- Suballocation of C&M to individual Large Load Customers
- Enforceable primarily through states, may require new state tariff/laws



Connect & Manage Framework that is implementable at both the Federal (wholesale) and State (retail) levels

\*Per the January 16, 2026, PJM Board Letter: "PJM does not have authority to direct individual retail loads to curtail demand."

- EDC/LSE submits Large Load Additions to PJM for inclusion in the load forecast (i.e. Table B9b) and identifies all large load to be in-service by 6/1/27.
- EDC and Large Load submits to PJM identification of Bring Your Own New Capacity (BYONC).



**EDC/LSE**



**Large Load**



**PJM** verifies Large Loads included in forecast (by EDC) and new Large Load

**PJM** verifies BYONC UCAP MWs (by EDC) meet the Tariff definition

States have jurisdiction over enforcement at retail level and have a role in supporting the facilitation of Connect & Manage and the recognition of Large Loads that BYONC.



**EDC**



**LSE/Load**

EDC works with LSE/Load to determine individual Large Load assignments for Connect and Manage Load.

***PJM identifies MW, not the actual Large Load customers that are assigned Connect and Manage.  
PJM verifies individual Large Load that BYONC to be removed from C&M***



Call for C&M reduction



Area MW quantity only



**Status quo Operational Awareness:** EMS information and real-time telemetry via EDC/TO



**EDC/TO**

Instruction to switch to back-up resources or reduce consumption from the transmission system: TO opens breaker within 10 minutes



**Large Load**

Consistent with state laws and retail arrangements, EDCs will be expected to exclude the individual Large Loads from C&M that are associated with BYONC.\*

**Key Points:**

- PJM does not provide C&M directive to the Large Load
- EMS/telemetry from the EDC used for operational awareness only

\*As FERC's Co-Located Show Cause Order notes, the resolution of these issues "will require the involvement of both federal and state actors, including the Commission, state public utility commissions, and other state and local entities." 190 FERC ¶ 61,115, at PP 66, 68 (2025).



# Connect and Manage: Roles and Responsibilities

	PJM	EDC/TO/LSE	Large Load
<b>Load Forecast</b>	Final determination of load forecast	Submission of Large Load MW to PJM Load Forecast	Notice to LSE/EDC of load integration
<b>BYONC</b>	Final approval of BYONC MW quantity by Area and individual Large Load	Submission of BYONC contract/agreement or RBP central auction identification of Large Loads for BYONC	Provide contract/agreement to EDC and PJM.
<b>C&amp;M Assignments</b>	Provide EDC with total assignment of C&M MW that excludes BYONC MW.	Identify individual assignments of C&M excluding BYONC.	Verify assignment of C&M.
<b>C&amp;M Modeling and Reduction Readiness</b>	Status quo Operational Awareness: EMS information and real-time telemetry via EDC/TO	Status quo: The EDC/TO will provide to PJM any necessary telemetry. Develop operational procedures.	Operational readiness
<b>C&amp;M Emergency Procedure</b>	When PJM issues this new Emergency Procedure Action, the applicable EDC/TOs will be sent a C&M reduction MW quantity only for the MW of shortage. This MW quantity will be updated on a periodic basis, as necessary.	When receiving a C&M reduction MW quantity, the EDC/TO will take action to initiate and complete the reduction within 10-minutes.	Reduce MW quantity as instructed by EDC/TO/LSE.

# Connect and Manage *Trigger and Effective Date*

## When will Connect and Manage Load be needed?

**Connect and Manage Load will be an operational tool for PJM operators if there is projected capacity shortage in real time.** PJM expects that there will be a transitional period where this will be necessary.

## Delivery Year Trigger for Shortage

### **PJM RPM/IA Supply < RTO Reliability Requirement**

- Determined after the 3rd Incremental Auction but before the effective RPM delivery year. Only triggered if there is new Large Load that did not BYONC.
- If C&M is not triggered for three consecutive delivery years, then all large load previously subject to C&M will no longer be subject to C&M for all future delivery years.
- The Connect and Manage Tariff and manual language will not have sunset provisions.



# Effective Date for Connect and Manage

## Effective Date for Connect and Manage

- All Large Loads not in-service by 6/1/27 are considered new Large Loads.
- Connect and Manage will be effective for use in Operations on June 1, 2027.

## What Large Load is included for Connect and Manage?

All Large Loads MW not in-service by 6/1/27 are considered new Large Loads and are counted in the quantity determination for C&M offset by BYONC.

- Individual large loads are reported to PJM by the relevant Electric Distributor/TO.
- If a load increases its peak demand after 6/1/27 the incremental load added after 6/1/27 would be considered new Large Load MW. This includes incremental load that causes an existing load to meet the Large Load definition when it had not previously met this threshold
- Load that is part of an existing Fixed Resource Requirement (FRR) Alternative Capacity Plan is excluded from Connect & Manage; FRR Entities with New LL that did not BYONC cannot satisfy their FRR obligations with Existing Generation Capacity Resources that are not owned or contracted by such FRR Entities as of June 1, 2027.

2027 Load Forecast  
(includes expected Large Load for summer 2027)

**Compare**

Actual Large Loads  
In-service by 6/1/27

New Large Loads not in-service by 6/1/27 are subject to Connect and Manage if there is a capacity shortage unless BYONC.

Preliminary Connect and Manage information can be estimated based on 2026 and 2027 forecasted data from Table B9b in the 2026 LAS.

\*\*A Party is eligible to select the FRR Alternative if it: (a) is an IOU, Electric Cooperative or Public Power Entity; and (b) demonstrates the capability to satisfy the Unforced Capacity obligation for all load in an FRR service area, including all expected load growth in such area, for the term of such Party's participation in the FRR Alternative.

# Connect and Manage *Exemption – Bring Your Own New Capacity (BYONC)*

# How To Avoid Connect and Manage

Connect and Manage Load can avoid being assigned to EDC if the Large Loads Bring Your Own New Capacity (BYONC).

## What is BYONC eligible?

Supply	DR/DER
<p>1. Any new UCAP MW of supply included in the 2027/2028 3rd Incremental RPM Auction and later DY BRA/IA that has not cleared in a prior DY BRA/IA</p>	<p>1. New load management (emergency or pre-emergency DR/DER)</p>
<p>2. BYONC UCAP must be <math>\geq</math> Large Load (FPR% of load)</p> <ul style="list-style-type: none"> <li>Large Loads can opt to cover part of their load and leave the remainder under C&amp;M.</li> </ul>	<p>2. Any location that was not registered in DR Hub (includes PSA or PRD) for either the 26/27 or 27/28 DY unless the location represents a large load that was registered in a zone where there was a large load adjustment for the 27/28 DY for the first time in the 27/28 DY or the incremental amount from any location registered in 26/27 or 27/28 which was the result of registration of new generation or storage assets at the location.</p>
<p>3. Includes the following: new build, uprates (incremental ICAP/CIRs only), surplus interconnection (incremental only), repowering of deactivated generators that have retired as of April 10, 2026; CIRs transferred from a deactivated resource or a resource that has announced deactivation as of April 10, 2026; resources that undergo fuel-switching to another more efficient fuel type that results in a higher UCAP and/or CIR uprate (incremental only)</p>	<p>3. The UCAP is equal to the capacity committed through an RPM Auction.</p> <p>4. UCAP used to offset C&amp;M will be calculated annually based on registrations that are approved for such DY by April 1 prior to the DY.</p>

### Exclusions

- Restoration of previous DY capacity deficiencies (e.g., failed tests) do not qualify for BYONC.
- Existing resources operating in under either a Reliability Must Run (RMR) agreement or a Federal Power Act, Section 202(c) Order for continued operation beyond a planned retirement date do not qualify for BYONC.
- Delayed retirements do not qualify for BYONC.

## Additional BYONC Notes

No locational requirement: BYONC supply already assumed to be deliverable through interconnection process.

### BYONC quantity (initial and maintaining eligibility)

- Generation and storage: For a given resource type, BYONC UCAP must be  $\geq$  Large Load (FPR% of load) for initial year only. Maintaining: Cannot submit a Must Offer Exception associated with external sales and must be a price taker in RPM Auctions for 10 years.
- Demand Response: BYONC UCAP must be  $\geq$  Large load (FPR%) for initial year. Maintaining: The BYONC ICAP MWs from the initial year only must be demonstrated for 10 years and must be a price taker in RPM Auctions for 10 years.
- BYONC does not need to be maintained if C&M is not triggered for three consecutive delivery years

### BYONC assignment

- BYONC cannot be transferred to a different New Large Load unless the original Large Load no longer exists.
- BYONC may be used for a portfolio of Large Loads. Large loads can use a portfolio of BYONC.
- Excess BYONC may be reserved for future Large Loads in a portfolio or for ramping (i.e., Large Load takes multiple years to ramp to full load).

### BYONC verification

- Large Load must provide proof of BYONC (contract, etc.) to both PJM and the EDC by March 1 before the effective delivery year.
- Final verification that the Large Load met BYONC criteria will be made by April 1 before the start of the effective DY.

### Failure of BYONC to materialize at assignment phase

- Supply: subject to PJM capacity deficiency rules if applicable
- Large Load: subject to Connect and Manage if there is a capacity shortage

### Failure of BYONC to materialize during a C&M event

- Supply: subject to PJM capacity rules and PAIs
- Large Load: not subject to Connect and Manage if previously identified as exempt



# Connect and Manage *Interactions With Reliability Backstop Procurement*

## RBP

- Supply from the Central Procurement will be eligible BYONC supply for Large Loads in the delivery years where that supply comes online.
- Bilateral Matching supply will be eligible for BYONC and subject to the BYONC verification process.

## BRA/IA

RBP outcomes verified and any additional BYONC included.

## Connect and Manage

Stopgap operational action until no capacity deficiencies (BYONC excluded)

### Key Takeaway:

**ALL verified supply arrangements from RBP will exempt load from C&M when they are in service.**

## Connect and Manage Interaction With Bilateral Matching

Load that participates and contracts through the bilateral matching will be able to use this supply as a showing for BYONC (assuming the supply contracted meets the BYONC criteria).

Supply must clear in the RPM/Incremental Auction for relevant DY to be eligible for BYONC. Loads that cannot close a bilateral contract before the 3rd IA for effective delivery year will be subject to C&M if there is a capacity shortage.

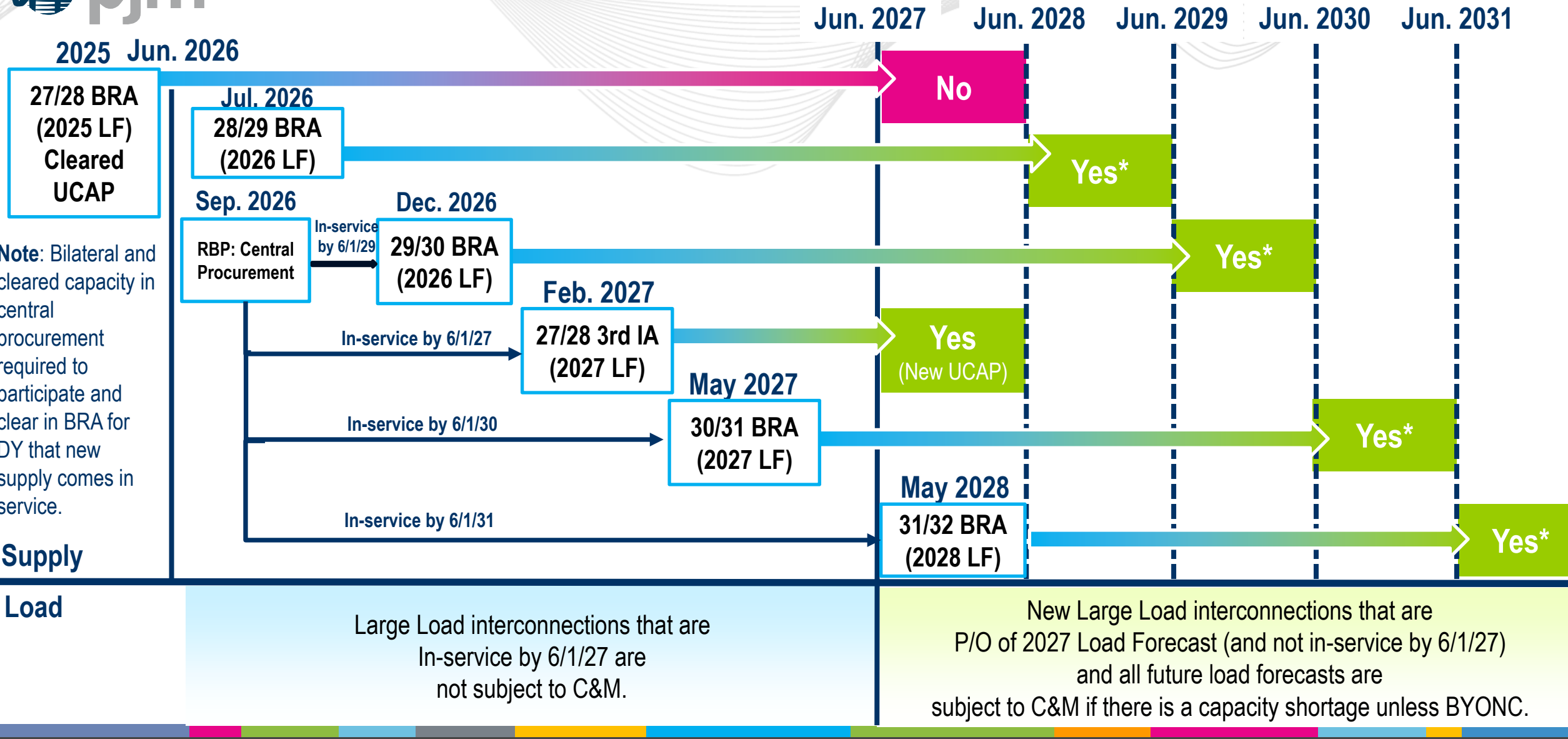
## Connect and Manage Interaction With Central Procurement Mechanism

Supply that is procured through the central procurement will be megawatts “credited” to the EDC that will be considered a BYONC showing – how this is allocated to LL for Connect and Manage will need to be determined by the EDC based on contracts.

Once under contract, BYONC supply must clear in an RPM/Incremental Auction for relevant DY. Central procurement results do not retroactively exempt loads from C&M reduction beginning June 1, 2027.

# BYONC and Connect and Manage: Proposed Eligibility Timeline

Eligible for BYONC?



**Note:** Bilateral and cleared capacity in central procurement required to participate and clear in BRA for DY that new supply comes in service.

### Supply

### Load

Large Load interconnections that are In-service by 6/1/27 are not subject to C&M.

New Large Load interconnections that are P/O of 2027 Load Forecast (and not in-service by 6/1/27) and all future load forecasts are subject to C&M if there is a capacity shortage unless BYONC.

# Connect and Manage *Quantity Determinations, Timeline and Assignments*

## Determinations of Connect and Manage Quantities (Not Individual Large Load Identification)

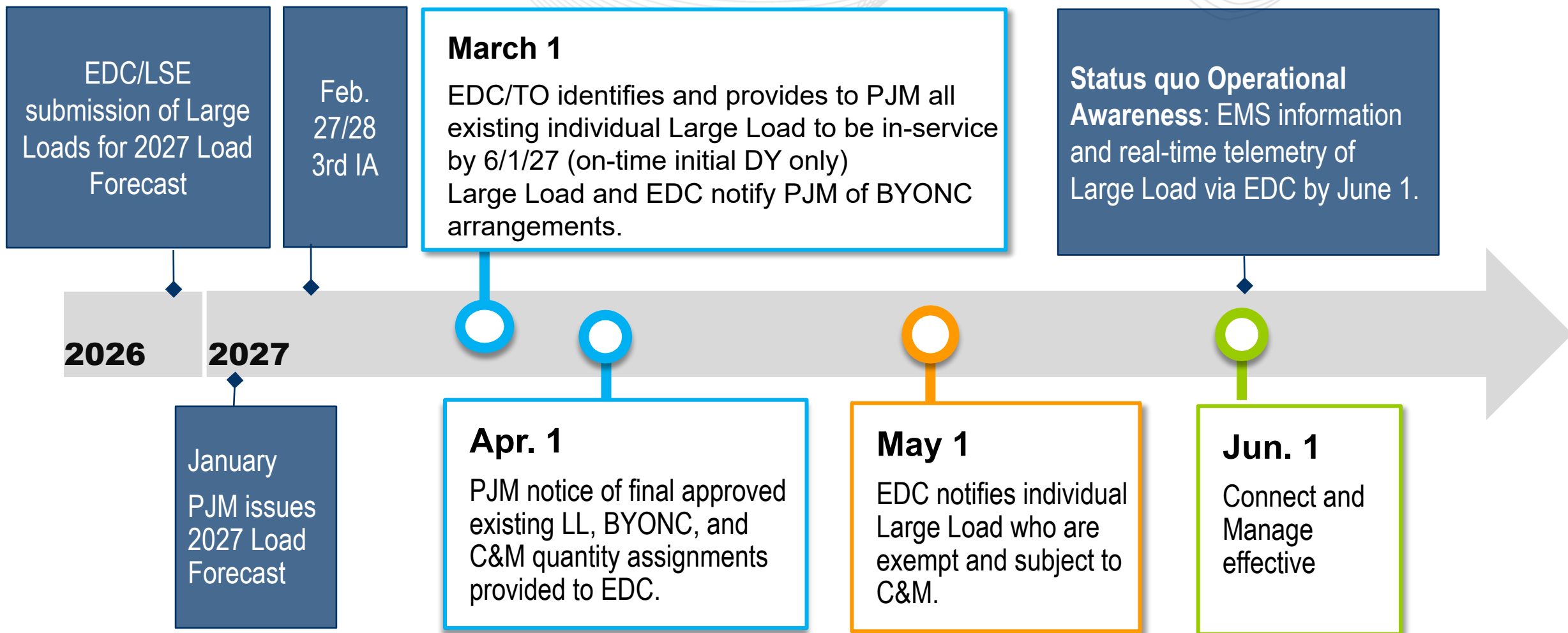
### *Delivery Year Total Megawatt Determinations*

If C&M is triggered, the C&M total quantity equals the minimum of RPM RTO shortage (relative to the 1-in-10) or new LL (minus BYONC)

#### Connect and Manage TO/EDC Allocations

- TO/EDC assignments equals a pro-rata share of new Large Loads (minus BYONC) associated with the RPM shortage. If RPM shortage > new Large Loads then all new Large Loads (minus BYONC) are assigned C&M.
- The actual daily maximum allocated C&M is limited to the minimum of RPM RTO shortage or new Large Loads (minus BYONC).
- All TO/EDC assignments will be converted to ICAP using the FPR%
- Only MWs needed in a real-time capacity shortage will be used. This may not be all Connect & Manage
- No consideration of constrained LDAs. All C&M can be used.
- All PJM to TO/EDC allocations are in zonal MW quantities (ICAP), not customer specific.

# Timeline for Determinations of Connect and Manage Quantities (2027/2028 DY)



*Similar timeline will apply to future delivery years.*



# Connect and Manage *Modeling and Operations*

## Connect and Manage Modeling

**RPM:** Connect and Manage Load will be modeled in RPM.

**Day-Ahead:** Status quo: C&M Load will not be modeled differently. Existing Manual 11, Section 2.15 (Maximum Emergency Generation in Day-ahead Market) procedures will be facilitated if necessary.

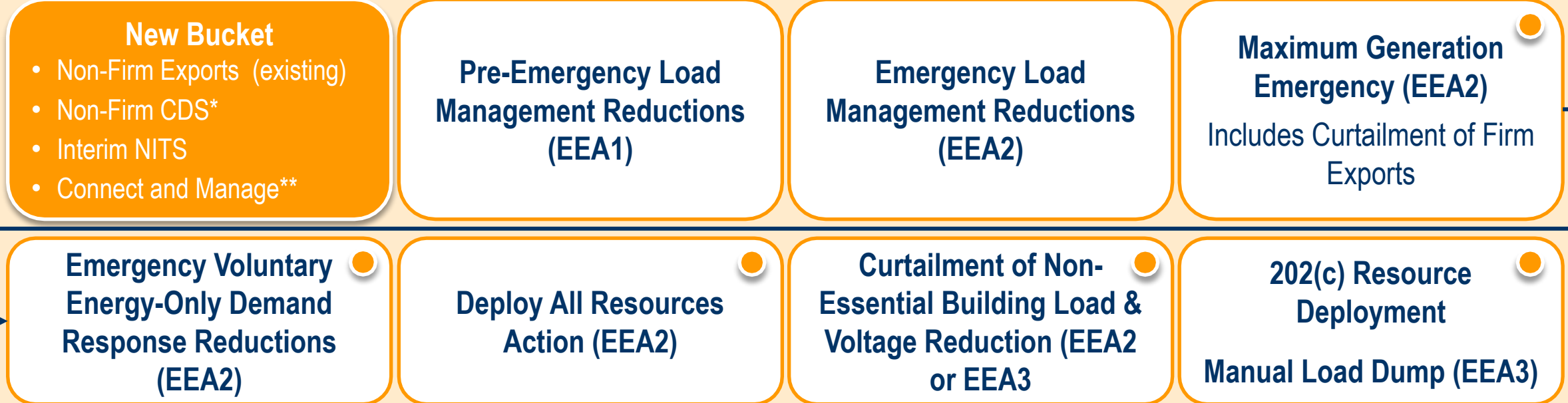
**2.15 Maximum Emergency Generation in Day-ahead Market**  
 If a day-ahead demand bid MW cannot be satisfied with all available generation at its economic maximum MW limit, the Market Clearing Engine (MCE) shall issue a Maximum Generation Warning message due to a shortage of economic generation in the Day-ahead Market. The MCE shall then perform the following steps to achieve power balance:

Step 1: Increase all online generation up to its maximum emergency MW limit. Increase generator MW proportionately by ratio of economic maximum, if power balance is achieved prior to reaching maximum limits. Set LMP values equal to the highest offer of all online generation.  
 Step 2: If generation is still not enough to achieve power balance after Step 1, load offline generation that is designated as available only for maximum generation emergency conditions, as required. The order of loading is based on economic offer data. Set LMP values equal to the highest offer of all online generation.  
 Step 3: If generation is still not enough to achieve power balance after Step 2, drop any remaining price-sensitive demand to zero MW. Set LMP values equal to the highest price-sensitive demand bid that was cut in this step. If no price-sensitive demand was reduced in this step, the LMP values are set equal to highest offer price of all online generation resulting from Step 2.  
 Step 4: If power balance is not achieved after Step 3, reduce all load proportionately (by ratio of load MW) until balance is achieved. Set LMP values equal to the highest offer price of all online generation, the price from Step 3, or the bid cap (presently \$2,000/MWh), whichever is higher.

**Real-Time:** Status quo: Pricing to reflect system conditions. Additional enhancements to utilize PJM tools, such as SCED, to be determined.

**Telemetry:** The TO/EDC notifies PJM the specific customer locations (EMS B1/B2/B3 name) that they have designated as C&M, along with any necessary telemetry.

EMERGENCY ACTIONS



● PAI trigger

	Product	Priority
New Bucket	Non-Firm Interchange (existing)	Curtailed first (lowest priority) (EEA1)
	Non-Firm CDS (new)	Curtailed second (potential EEA1)
	Interim NITS (new)	Curtailed third (potential EEA1)
	Connect and Manage (new)*	Reduced last (highest priority) (potential EEA1)

Note: PJM dispatchers have the flexibility of implementing the emergency procedures in whatever order is required to ensure overall system reliability. PJM dispatchers have the flexibility to exit the emergency procedures in a different order than they are implemented when conditions necessitate.

\*Non-firm CDS is only used during times when the co-located generator is offline or outputting at a level below the Non-Firm CDS load.  
 \*\*Firm CDS and NITS customers may be subject to curtailment in the new bucket under the Connect and Manage program as needed.

## Connect and Manage Emergency Procedure (Definition)

New and/or existing Emergency Procedures (alerts and warnings) to be adjusted as appropriate to provide advanced notice C&M may be reduced. This will be documented in Manual 13.

A New Emergency Procedure C&M Action to be developed and issued by PJM to reduce C&M Load as necessary to maintain required RTO/Zonal Primary Reserves and/or IROLs within limits if available economic generation is not sufficient. This will be documented in Manual 13.

- This procedure would be issued after curtailment of any Non-Firm Transmission Service products but prior to implementation of Pre-Emergency Load Management.

***If not already initiated, PJM will declare an EEA1.***

### C&M Emergency Procedure (PJM Actions)

When PJM issues this New Emergency Procedure Action, the applicable TOs will be sent a C&M reduction megawatt quantity. This megawatt quantity will be updated on a periodic basis as necessary.

### C&M Emergency Procedure (Members Actions)

When receiving a C&M reduction megawatt quantity, the TO will take action to initiate and complete the reduction within 10 minutes.

### C&M Real-Time Load Usage

Load identified by the EDC prior to the DY that is not online or operating at a reduced output at the start of a C&M event will be treated as a credit to that EDC meeting its total load reduction obligation.

## Connect and Manage Real-Time Allocation Method

### RTO Energy Shortage

- Allocations will be performed pro-rata by C&M Load ratio share across all TO zones.
- The actual daily maximum allocated C&M is limited to the minimum of RPM RTO shortage or new Large Loads (minus BYONC).
- Only MWs needed in a real-time capacity shortage will be used. This may not be all Connect & Manage

### Regional Energy Shortage (i.e., IROL/transfer issues)

- Only TO zones where the C&M reduction is effective at mitigating the regional shortage would be issued a reduction.
- Allocations would be performed pro-rata by C&M Load ratio share across the TO zones where the reduction is issued.



# Connect and Manage *Cost Allocation*

## Connect and Manage Load Will Not Be Removed From the RPM Auction

- Connect and Manage provides an opportunity for Large Load to interconnect regardless if they Bring Your Own New Capacity (BYONC) with a requirement to reduce (or switch to back-up onsite resources) under limited circumstances.
- Including Connect and Manage in the RPM Auction continues to provide price signals for new investment while providing an incentive for New Large Load to BYONC through new supply or DR/DER.
- Connect and Manage assigned for RPM shortages will not pay for capacity

### Cost Allocation:

- Loads that are subject to Connect and Manage are not assessed capacity charges.
- PJM will adjust EDC RPM Load Obligations to reflect UCAP associated with new Large Loads assigned Connect & Manage. EDCs required to provide C&M MW by LSE on a daily basis for PJM to offset associated capacity charges.

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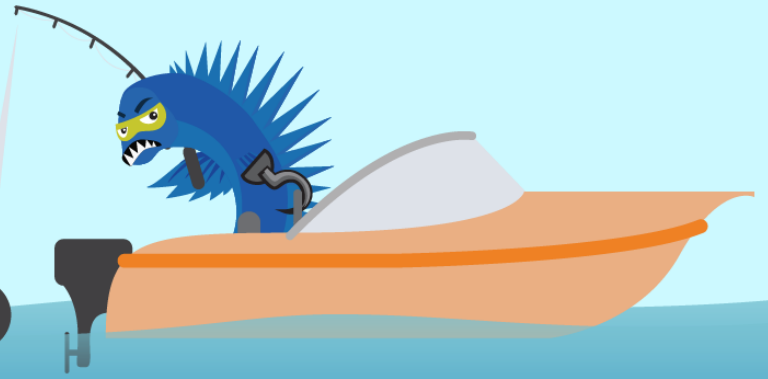
custsvc@pjm.com

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Call (610) 666-2244 or email [it\\_ops\\_ctr\\_shift@pjm.com](mailto:it_ops_ctr_shift@pjm.com)**