Critical Issue Fast Path - Reliability Backstop Procurement / Connect & Manage Stage 4 - June 30, 2026

Executive summary of the Silverman-Glatz Registry Proposal

Tracking Bring-Your-Own obligations and cost responsibility for RBP and Connect & Manage is a major logistical challenge for both PJM and States. We propose that PJM establish a BYO/Large Load Registry for ease of tracking new loads and new capacity resources. Once implemented, the Registry will create a single source of truth for tracking new loads and facilitate identification of duplicative load requests.

To make tracking of Connect & Manage and RBP cost allocation more transparent, we propose to create "New Entry Token Credits" or "NET Credits" to track compliance with Bring Your Own New Capacity ("BYONC") requirements. New capacity suppliers "mint" NET Credits, which can then be "retired" by new large loads to show that they have complied with BYONC requirements and retired Connect & Manage Obligations.

The proposed Registry is modeled off the PJM-EIS Generator Attribute Tracking System ("GATS"), which assists States in tracking Renewable Energy Credits. Their similarities are demonstrated in the table below.

Parameter	GATS	Registry
Account Holders (among others)	- Generators - LSEs	- Generators - LSEs - Large Loads
Information collected	- All generation resources, - All MWh and kWh produced, - All load served within the PJM Control Area	- New supply resources (generation, storage, DR) - All new large loads within the PJM Control Area - BYONC contracts (new LLA – supply)
Purpose	- Confirmation of RPS compliance by LSEs - Tracking system emissions	- Confirmation of BYONC by LLAs/LSEs - Tracking C&M exposure by LLA/LSE
Functionality	- Creating, tracking ownership of, and retiring RECs - Providing RPS compliance and energy mix data to states and LSEs	- Tying new supply resources to new large loads for BYONC and C&M tracking - Providing BYONC compliance data to PJM, states, LSEs, and large loads
Jurisdiction	- PJM facilitates tracking of non-jurisdictional REC sales	- PJM facilitates tracking non-jurisdictional purchases by non-members

Accommodates variation in State energy supply requirements: The Registry can be easily incorporated into State requirements or utility tariffs, providing an accelerated implementation schedule. If States or utilities adopt different BYO requirements for large loads than PJM, that could be accommodated through the Registry, as is the case for different types of REC products in GATS today. For example, the Registry could include a "non-emitting" or "clean" flag to facilitate purchases and/or sales of clean capacity.

Mechanics of Registry for Tracking Connect & Manage Obligations:

The proposed Registry process is described below.

1. New capacity suppliers mint a “New Entry Token” or “NET Credit” in the Registry, on a MW-for-MW basis (in UCAP), when they reach COD.
2. New large loads buy and then retire NET Credits from new capacity suppliers or other large loads to demonstrate compliance with BYO-type obligations.
3. NET Credits would track year of new capacity entry, allowing a large load to value its own speed-to-power by purchasing Credits associated with its target operation date.
4. New large loads could buy, sell or remarket NET Credits until such time as the NET Credits are retired, allowing for effective risk management.
5. A new large load would “retire” the appropriate number of NET Credits to extinguish its Connect & Manage obligation.

Note that a qualified supplier can sell NET Credits at any point, allowing for merchant or contracted development, as well as the opportunity to market “newness” independent from COD.

Mechanics of Registry for Tracking Reliability Backstop Cost Allocation:

Proposed NET Credits will also ease the Administration of the Reliability Backstop Procurement if implemented as suggested below.

Implementation of the RBP with NET Credits:

1. PJM conducts centralized procurement as proposed, with costs of the RBP procurement initially allocated to zones and subsequently to LSEs/EDC, as proposed by PJM.
2. PJM “stocks” the Registry with NET Credits for each MW of procured capacity (UCAP), available for retirement when the capacity reaches COD.
3. Large loads purchase NET Credits out of the Registry by financially “stepping into the shoes” of the LSE/EDC and assume financial responsibility for the new supply under rates/terms/conditions established by the relevant State.
4. Optional: State may require Large Loads to remain in Connect & Manage status until they purchase and retire the appropriate number of NET Credits to ensure that new Large Loads comply with Governors/NEDC Proposal.
5. States allocate costs of un-purchased NET Credits, as proposed by PJM. States may elect to make unsold NET Credits available for purchase or to support economic development goals.

Compliance with the Ratepayer Protection Pledge and Joint Statement of Principles:

The Registry proposal is intended as part of an integrated package of reforms that includes Connect & Manage and the Reliability Backstop Procurement. We see no practical way of protecting consumers against the type of inter-state cost shifts prohibited by the Joint Statement of Principles and the Ratepayer Protection Pledge without (a) an effective Connect & Manage program and (b) an effective means of allocating RPB costs directly to the appropriate cost-causers.

Without a PJM-run Connect & Manage program *that removes new large loads from the RPM*, retail customers will experience higher prices as a result of new large load growth in neighboring states. To be clear, no amount of state cost allocation can address cross-state cost shifts, particularly if the state receiving the higher costs has no appreciable large loads over which to spread the costs. Further, under PJM's voluntary C&M proposal, states without data center load will receive instructions to curtail firm load if PJM runs into a resource adequacy crunch. This is a manifestly unjust outcome and emphasizes why a PJM-administered C&M package is necessary. As FERC directed in its Show Cause order in EL26-67-000 regarding transmission costs, a PJM-wide approach is necessary to prevent cost shifts to customers in states without extensive new large load growth.

The Registry's primary benefits as that it allows tracking of C&M and RBP commitments whether or not the end-use customer is a PJM member. While the Registry is an important tool in protecting consumers, it should be considered additive to, not a substitute for, comprehensive PJM action.

In sum, our package would:

- Utilize the Registry to track C&M and RBP commitments across PJM members and non-members.
- Enable allocation of RBP costs to specific end-use customers, while still respecting the State-FERC jurisdictional boundaries.
- Ensure that any new large loads are Connect & Manage until such time as they bring their own new capacity.
- Remove C&M load from the RPM to prevent consumer costs from artificially increasing because of large load growth, without commensurate benefits.
- Allocate curtailment obligations to zones with substantial large load additions.