

PJM GOVERNORS' COLLABORATIVE

June 24, 2026

Mr. David Mills
President and CEO, PJM Interconnection
2750 Monroe Blvd.
Audubon, PA 19403

Dear Mr. Mills,

We appreciate the serious and extensive effort by PJM staff to implement the Statement of Principles and accompanying elements of the Board's decisional letter, both of January 16.

A central pillar of PJM's approach over the last six months has been developing a mechanism to prevent large load additions from compromising the reliability of our shared grid—a means to guarantee that the 67 million customers PJM exists to serve are not positioned to lose power before large load data centers in the event of extreme grid stress. As your Decisional Letter concluded in January, “the Board finds it reasonable for certain large loads, including data centers [to] . . . curtail their demand, for a limited number of hours during the year to prevent a larger scale outage for residential and other consumers.” We agree that this commonsense precaution must be taken to protect consumers. While we believe there are multiple legitimate ways to accomplish the stated goal, we cannot support a plan that fails to include any such safeguard to realistically protect our constituents.

The new approach released by PJM staff on June 18 falls short of this basic expectation. By summarily abandoning the mandatory protective mechanism outlined in the Decisional Letter, moving to a voluntary pre-emergency program and handing the implementation of safeguards over to the states without notice or sufficient time to develop practical solutions, the revised staff package abdicates PJM's responsibility to ensure a reliable, affordable grid. With this last-minute change, PJM risks a patchwork approach to pre-emergency actions, which is likely to lead to more frequent emergency procedures and other negative consequences.

Instead, PJM should adopt elements of stakeholder proposals that would facilitate the implementation of the joint Statement of Principles serving to safeguard consumers and ensure a path to reliable service for large load customers. As one of those elements, we urge PJM to immediately reinstate in its proposal a mandatory, region-wide pre-emergency curtailment program for large loads that have not secured dedicated new capacity. PJM has

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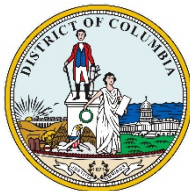
consistently referred to the need for such a mandatory curtailment approach over many months to incentivize new large loads to bring their own new capacity, enter into bilateral negotiations for the reliability backstop procurement, and ensure reliability for existing non-large load customers. Although we believe aspects of PJM's Connect and Manage program can and should be improved, the sudden about-face on this core principle regarding a region-wide, mandatory program has not been justified. The threat of litigation alone cannot be the justification for abandoning an approach PJM has repeatedly described as essential—otherwise, parties will be able to affect outcomes simply by threatening litigation, undermining PJM's necessary independence as an RTO.

While the states stand ready to play our part in preserving resource adequacy, PJM cannot walk away from difficult problems by unilaterally handing them to the states without real collaboration or deliberation as to implementation. Further, PJM and its stakeholders must recognize that it is not realistic to assign responsibilities to the states while simultaneously resisting providing the PJM states with the same avenues for formal engagement that states in every other RTO across the country already receive. We look forward to a productive discussion on that topic at the forthcoming FERC technical conference on July 23.

Sincerely,

THE PJM GOVERNORS' COLLABORATIVE

Signed by:



DISTRICT OF COLUMBIA

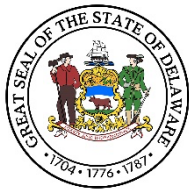


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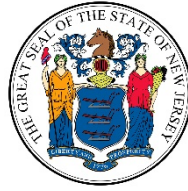
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NEW JERSEY



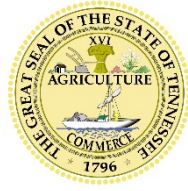
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