



FERC ADR Alternative Term Sheet

Consumer Advocate *PJM Member* Position

PJM Members Committee

September 24, 2026

Consumer Advocate Interests

1. Enshrine PJM's role as a body serving the public interest
2. Increase transparency and accountability for PJM Board and throughout stakeholder process
3. Create meaningful avenues for state engagement
4. Balance load and supply influence in stakeholder process
5. Institute cost-benefit analysis and oversight

Consumer Advocate Objectives for ADR process

*If PJM receives 205 filing rights, the following are expected:

1. With great(er) Responsibility comes greater accountability and transparency.
2. PJM must demonstrate (greater) independence from all members.
3. Preserve meaningful stakeholder participation for consumer interests (and all interests)
4. Improve efficiency without unnecessarily concentrating authority
5. Support a significant need for public interest and affordability principles embedded in the process
6. Enhance state participation through a coordinated mechanism
7. The ability of consumer represents to identify the cost impacts of significant proposals must be provided.
8. Remove the ability of private, market operators to veto consumer advocate proposals without a symmetrical opportunity. (e.g. balance the load and supply interests in the stakeholder process).

Consumer Advocate Objectives for ADR process

***If PJM receives 205 filing rights, the following additional items are needed:**

Term Sheet Item 1 – 205 filing rights

- All items are transferred to PJM: Resource Adequacy, PJM Interchange Energy Market, Regional Transmission Expansion Planning Protocol, **and all planning for projects currently planned under section 5.2 as attachment M-3, M-4, or M-6.**
- Co-primary: PJM Interchange Energy Market and **Regional Transmission Expansion Planning**

Term Sheet Item 2 - Improve Stakeholder Efficiency

- Recording and posting of all PJM stakeholder meetings
- Development and Publishing of cost benefit analysis of any proposal in the stakeholder process
- Development of an independent body that will provide rigorous, impartial, and transparent oversight of transmission planning, cost allocation, and project approval across the region.
- Create a sixth sector that represents load interests and balances the supply/load interests in the region.

Consumer Advocate Objectives for ADR process – Cont'd

***If PJM receives 205 filing rights, the following additional items are also needed:**

Term Sheet Item 5 – Advance Board Transparency

- At least one open board meeting
- Clear notice to all members if PJM has Common Interest Agreements with any subset of Members
- Include requirement that at least one Board member be a former regulator and at least one Board member have experience balancing an energy budget.
- Develop clear metrics of PJM success that will be tracked

Consumer Advocate Objectives for ADR process – Cont’d

***If PJM receives 205 filing rights, the following additional items are also needed:**

Term Sheet Item 6 - State and Member “Jump ball” 205 filing rights

- No vetoes of the State 205 “jump ball” filing rights by Members or PJM.

Term Sheet Item 7 State Participation in the PJM Process

- Remove the limitation of one statutory state appointed consumer advocate vote per jurisdiction

Term Sheet Item 10 Adding a Public Interest Mandate to the Operating Agreement

- Add a clear public interest mandate
- Develop clear metrics of PJM success that will be tracked
- PJM will take the steps necessary to transition to a not-for-profit entity by January 1, 2030.

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