Markets Report

Members Committee
October 28, 2026

Disclaimer: While materials are current at the time of publishing, applicable requirements may change. PJM Governing Documents control.

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- PJM Wholesale Cost is now being calculated exclusively by Monitoring Analytics. (Slide 4)
- Slides pertaining to weather conditions, in addition to slides showing average fuel prices, generation on-line fuel mixes, and System Marginal Prices have been combined into a **Market Conditions** section. (Slides 6-19)
- In September, temperatures were above the typical level. The sum of Heating and Cooling Degree Days was above the historic average. (Slides 7-8)
- Energy use was also above the historic average for September. (Slides 7-8)
- In September, uplift exceeded $2.25M on 10 days. (Slide 24)

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- Load-weighted average LMP for 2026 is $75.03/MWh: (Slides 32-33)
  - September 2026 was $82/MWh, which is higher than September 2025 ($44/MWh) and September 2024 ($32/MWh).
- There were 93 5-minute intervals that experienced shortage pricing in September. (Slide 31, Report Appendix)
- FTR revenue adequacy for the month of September is 88% and the 2026-2027 Planning Year is funded at 100%. (Slides 48-51)
- Congestion values in 2026 are higher than those seen in 2025. (Slide 49)
- Regulation and Synchronized Reserve market costs have generally tracked with energy prices over time, however, Regulation costs have seen increases since the implementation of Regulation Redesign – Phase 1. (Slides 65-67)

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- PJM Wholesale Cost is now being calculated and published exclusively by Monitoring Analytics (IMM).
- Annual and quarterly updates can be found in the IMM's State of the Market Reports:
  - https://www.monitoringanalytics.com/reports/PJM_State_of_the_Market/2024.shtml
- Monthly updates can be found in Excel format on the IMM's website:
  - https://www.monitoringanalytics.com/data/pjm_price.shtml
- Year-to-Date updates will be presented by the IMM at the monthly MC Webinar.
- PJM will continue to monitor the IMM's Wholesale Cost calculation.

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Market Conditions

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- The weather parameter shown in the following slide is a monthly sum of daily Heating Degree Days (HDD) and Cooling Degree Days (CDD).
- Degree days represent a deviation from a baseline temperature, in this case 60 degrees for HDD and 65 degrees for CDD. As temperatures get more extreme, colder or hotter, either HDDs or CDDs, respectively, will increase.
- Typically, winter months will only record HDDs, while summer months will only record CDDs. Shoulder months may have both HDDs and CDDs.
- Degree Days are calculated using a daily load weighting that weights values from stations in each TO zone according to the zonal contribution to the RTO peak on that day.
- Average values use data from 1998 to the most recent complete year, in this case, 2025. Averages include load data for all of TO zones in the current RTO footprint.

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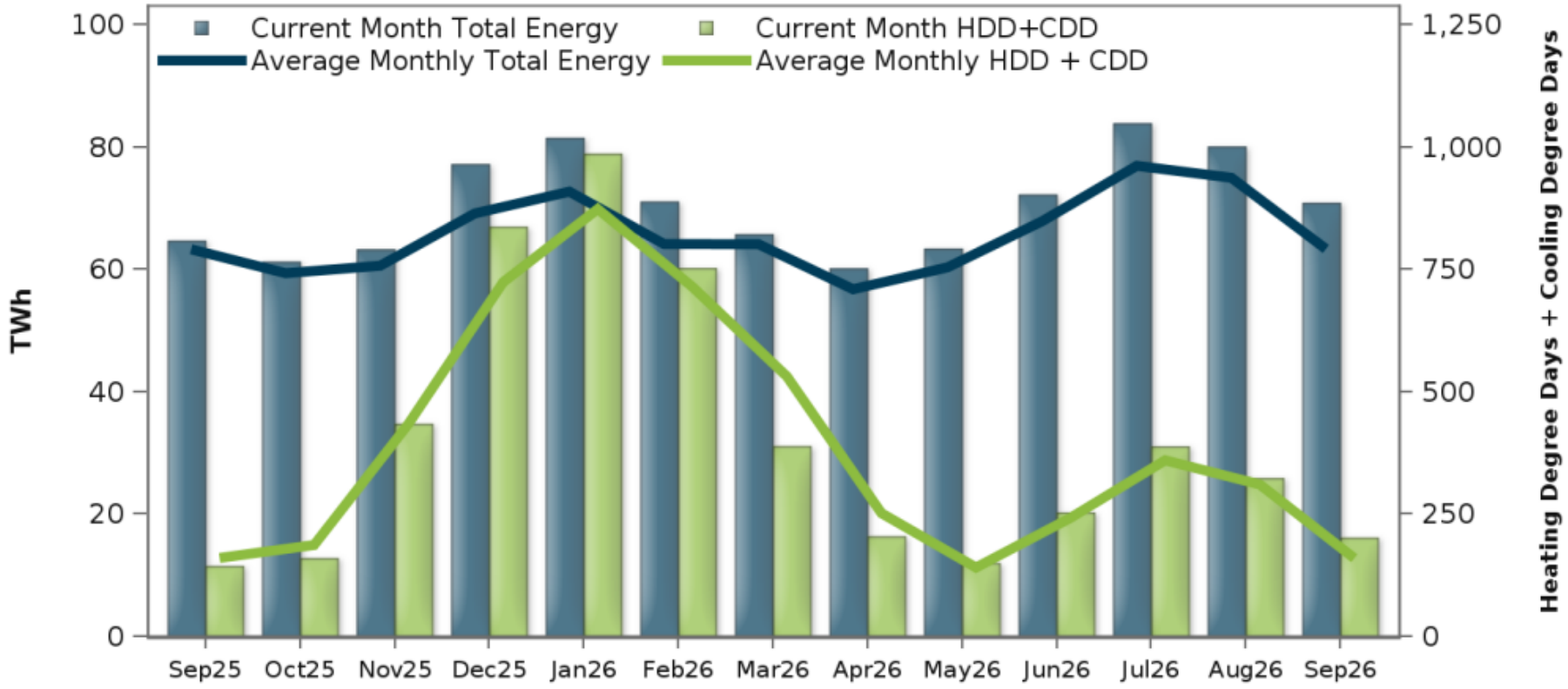
Historic Average Weather and Energy versus Current Month



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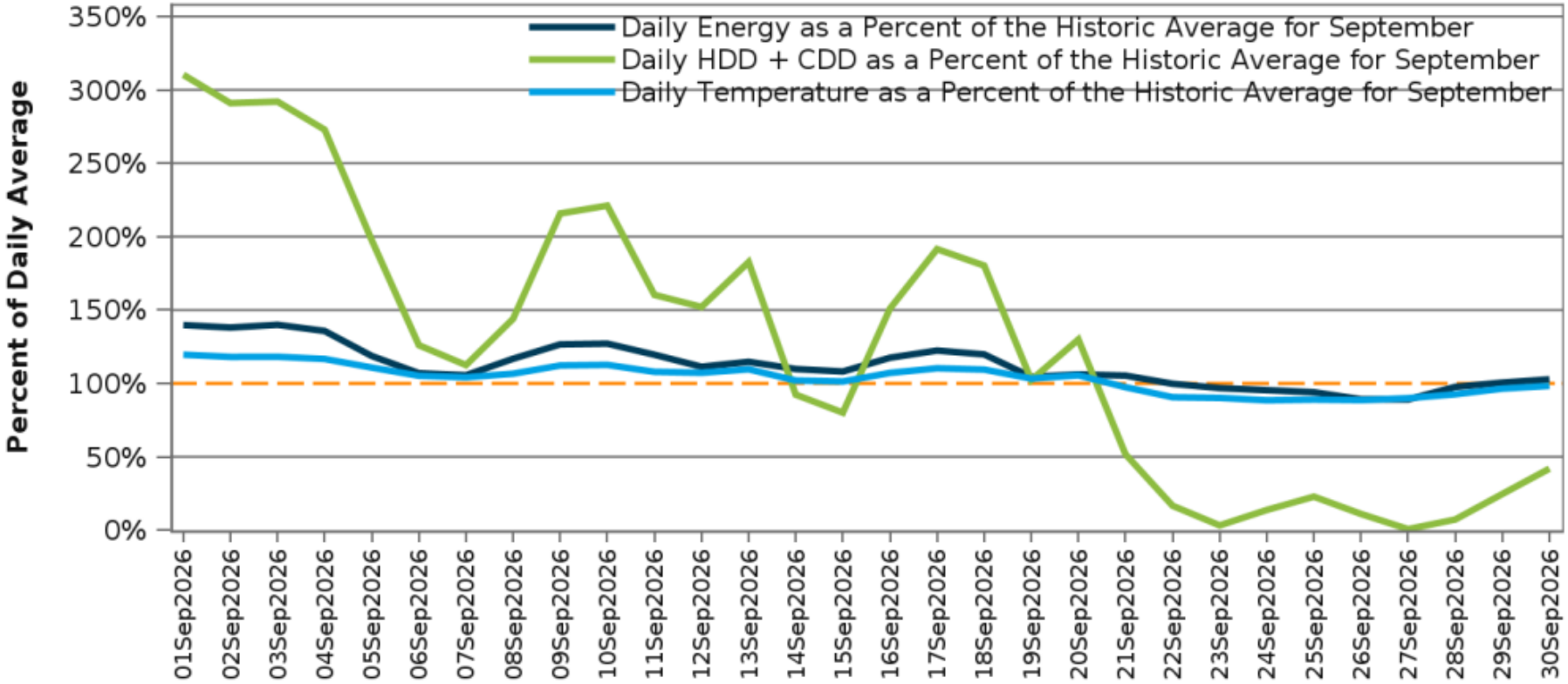
Historic Average Weather and Energy versus Current Month - Daily



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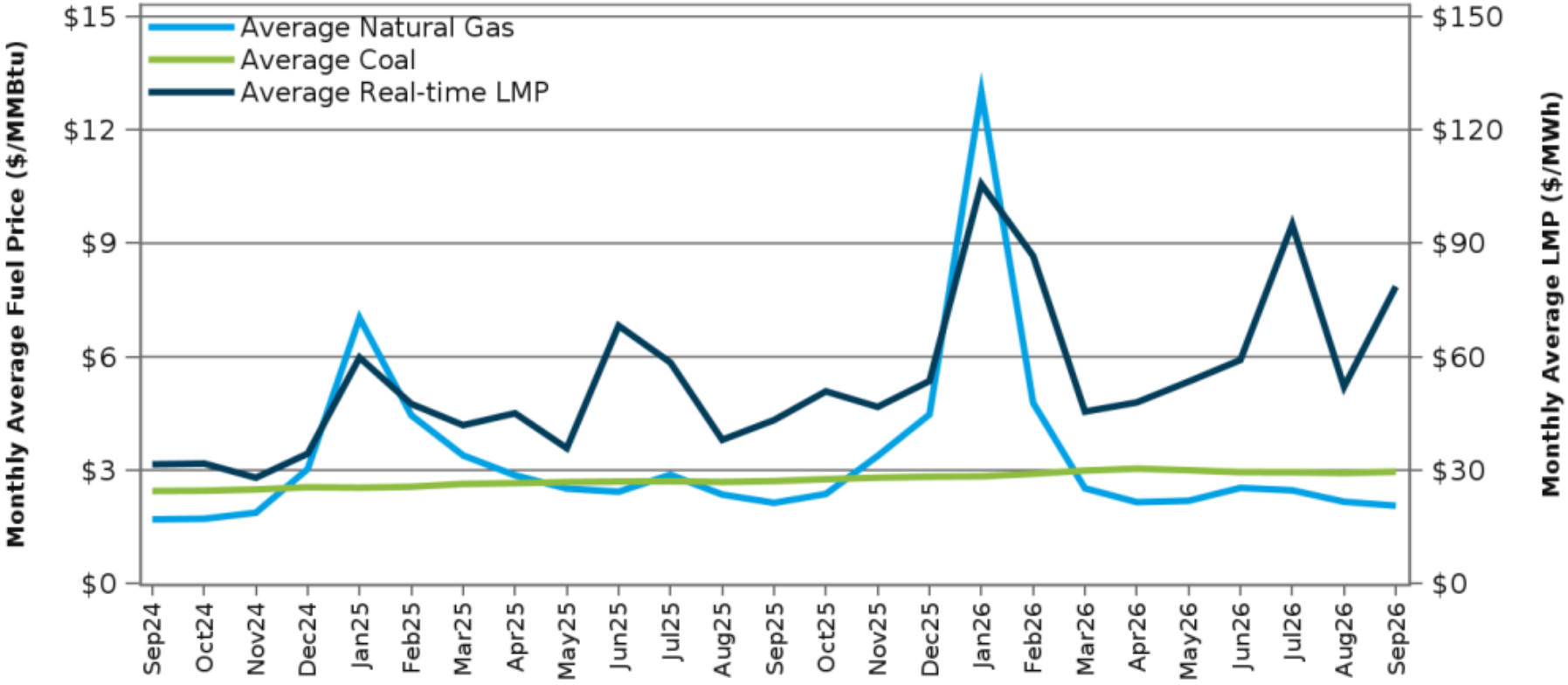
Average Fuel Prices - Monthly



Fuel Price Source: S&P Global Platts

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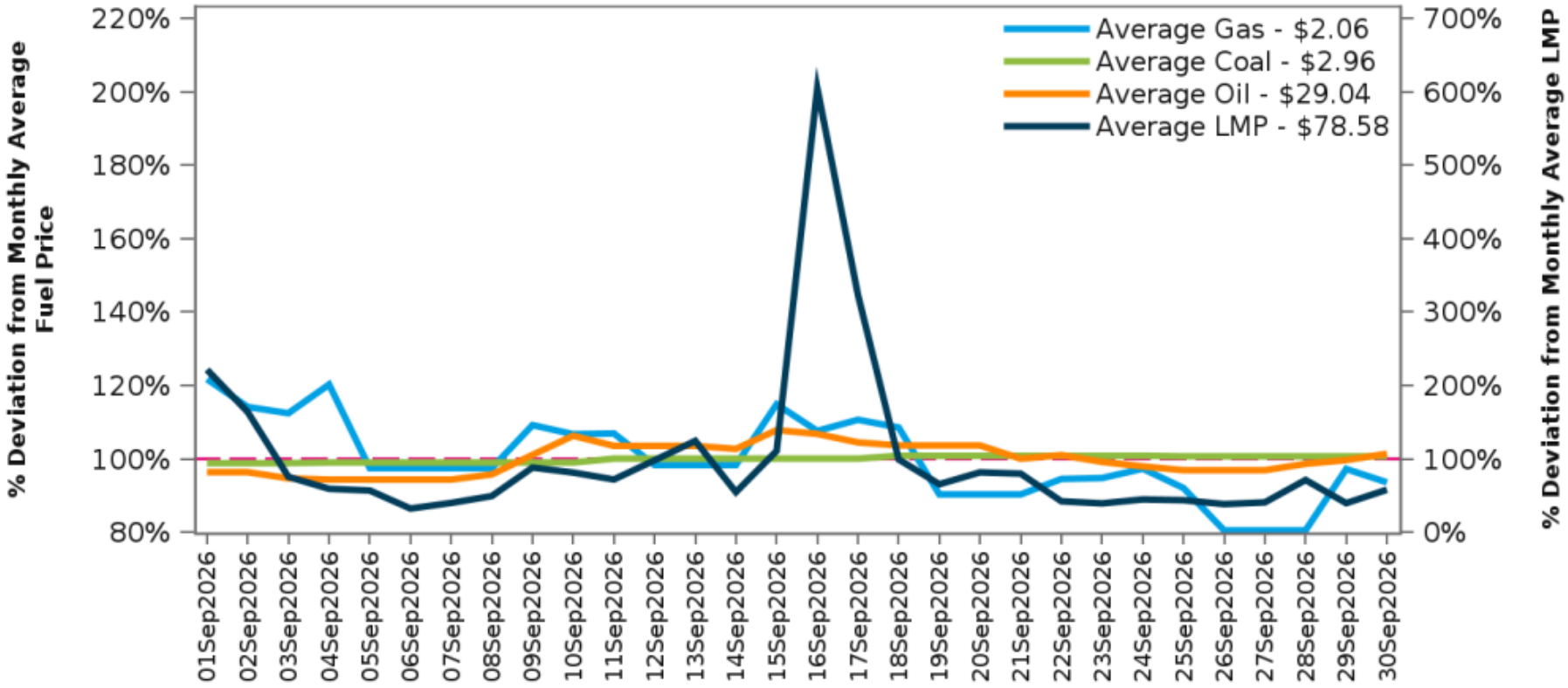
Average Fuel Prices - Daily



Fuel Price Source: S&P Global Platts

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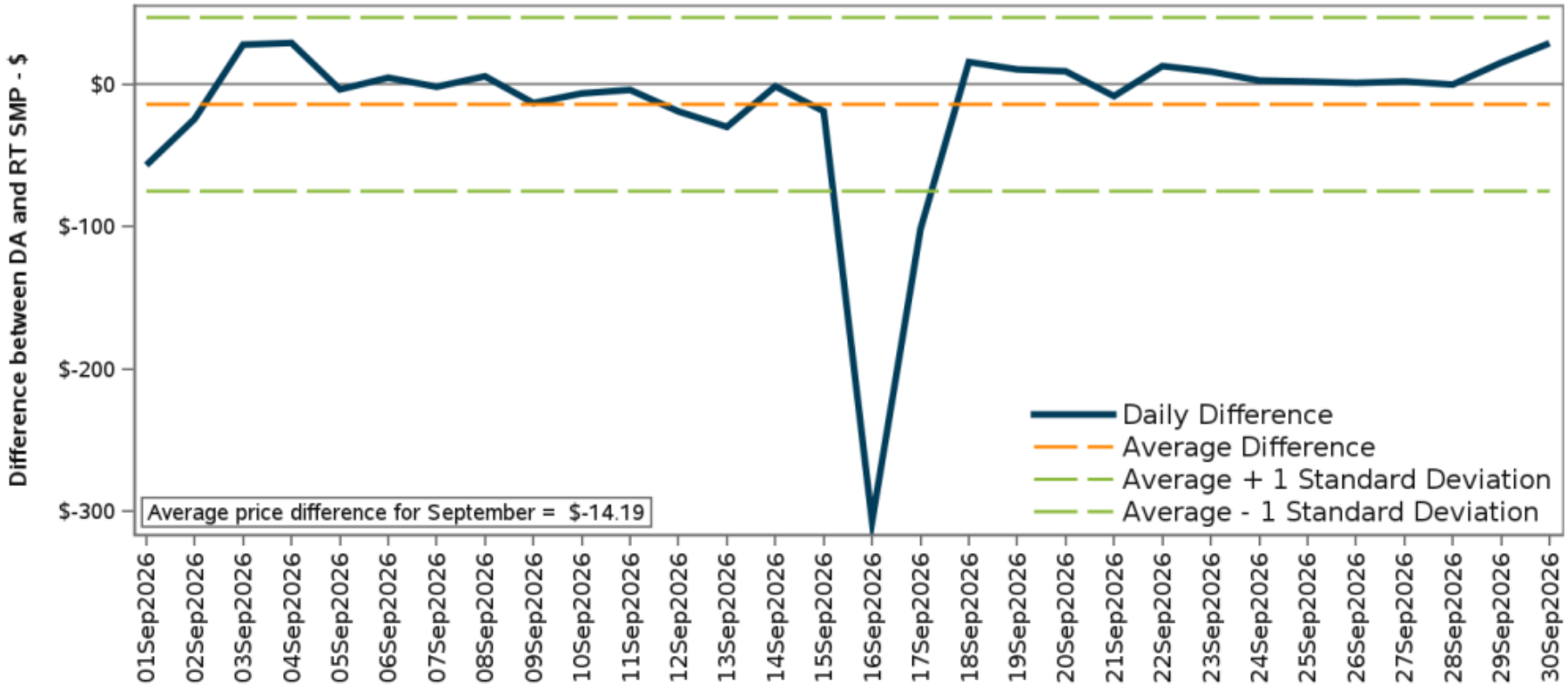
Daily Difference Between Day-Ahead and Real-Time System Marginal Prices



Positive values represent days when the DA daily average price was higher than RT. Negative values represent days when the DA price was lower.

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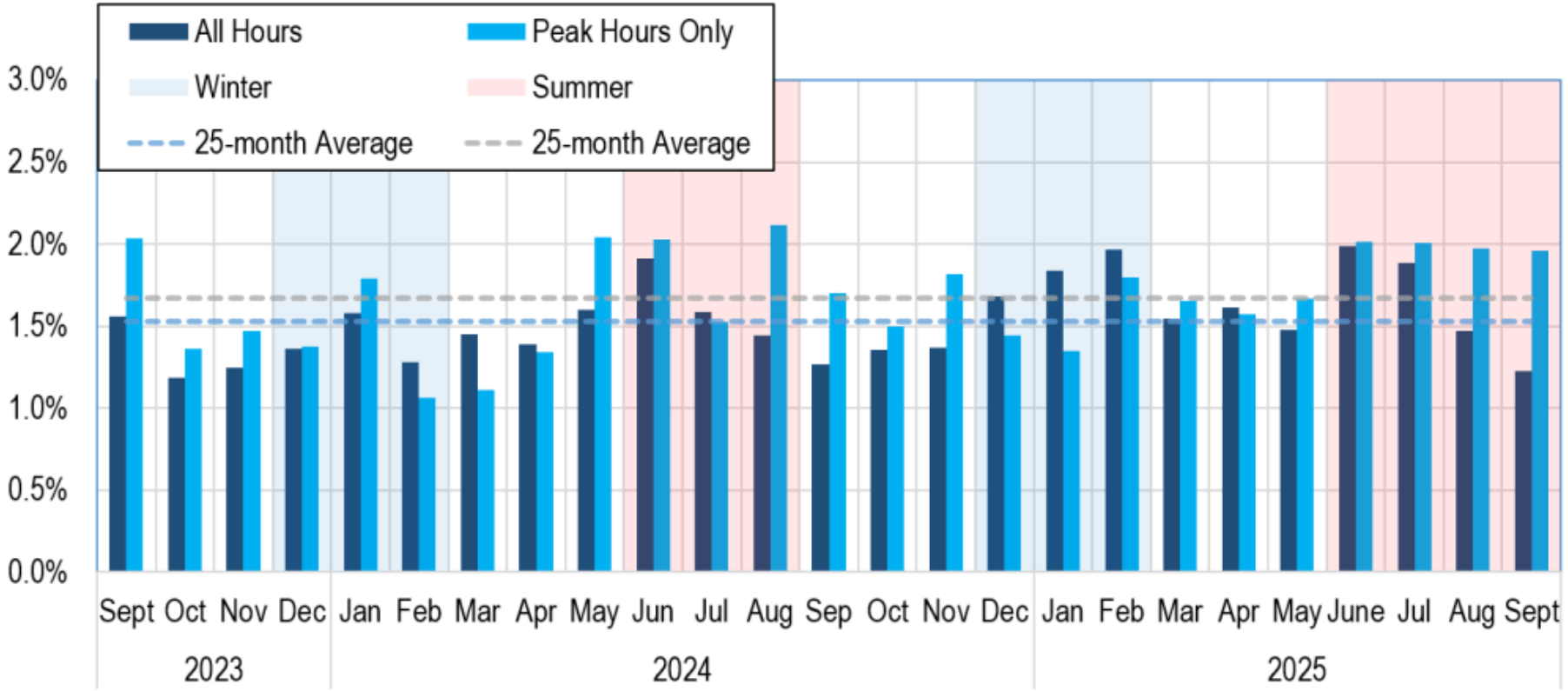
Load Forecast Error - Monthly Absolute Error, 10:00 Forecast



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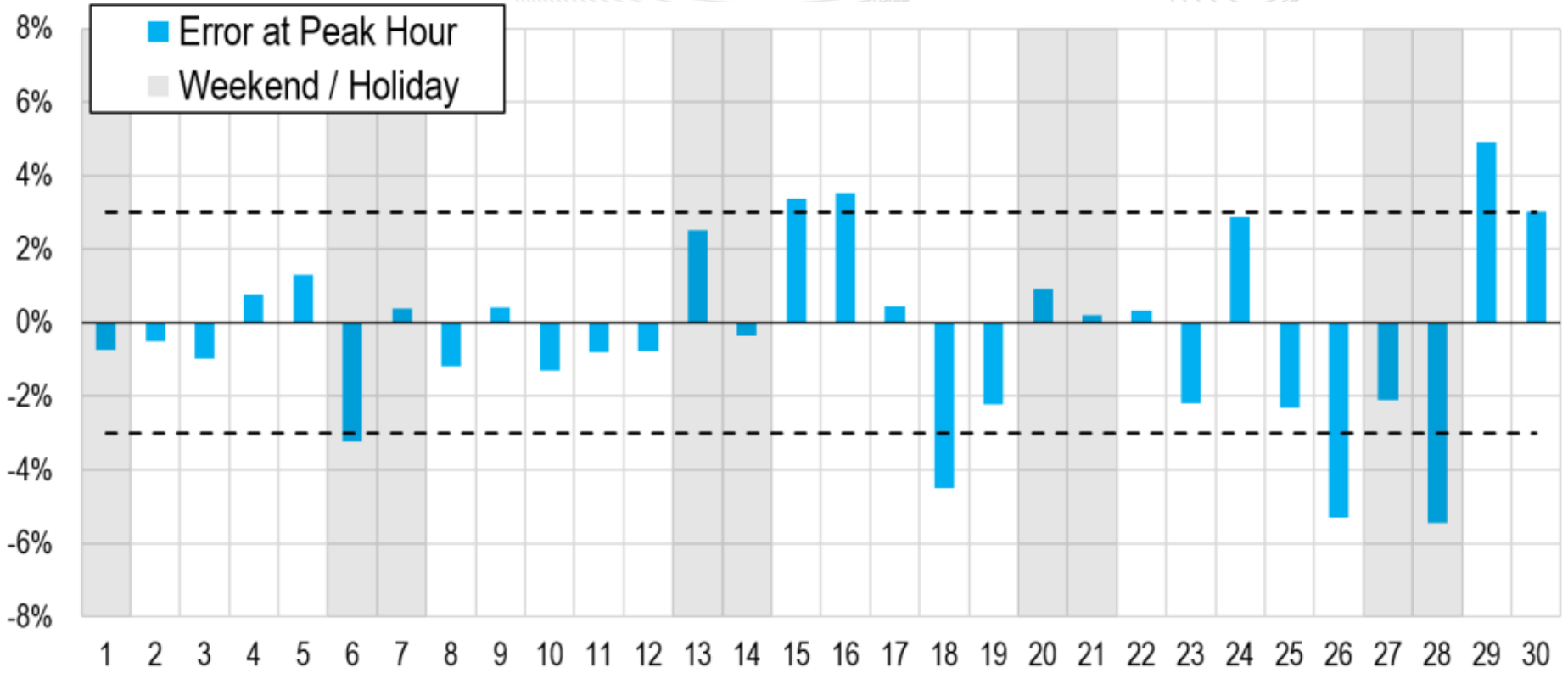
Load Forecast Error - September Daily Peaks, 10:00 Forecast



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Load Forecast Error

- PJM prepares a day-ahead load forecast at 10:00 am for use by our members.
- This forecast is not used to clear the day-ahead market and is not utilized for the reliability tools that run subsequent to the day-ahead market.

Missed day:	Reason
9/6/2025	Several zones had excessive temperature error, coming in higher than forecasted, leading to much higher loads than
9/15/2025	Load forecast models struggled with the weather volatility that occurs in September, leading to lower load and
9/16/2025	Temperature came in lower than forecast in the PJM zone, and the models struggled with the September volatility.
9/18/2025	Excessively overforecasted temperature in the PJM zone led to load coming in much higher than anticipated in the RTO
9/26/2025	Several zones had excessive temperature error, coming in much higher than forecasted, leading to much higher loads than
9/28/2025	Temperature came in higher than forecasted in several zones, and the models struggled with the September volatility.
9/29/2025	Several zones had excessive temperature error, coming in much cooler than expected, resulting in lower loads and overforecasting
9/30/2025	Several zones had excessive temperature error, coming in much cooler than expected, resulting in lower loads and overforecasting

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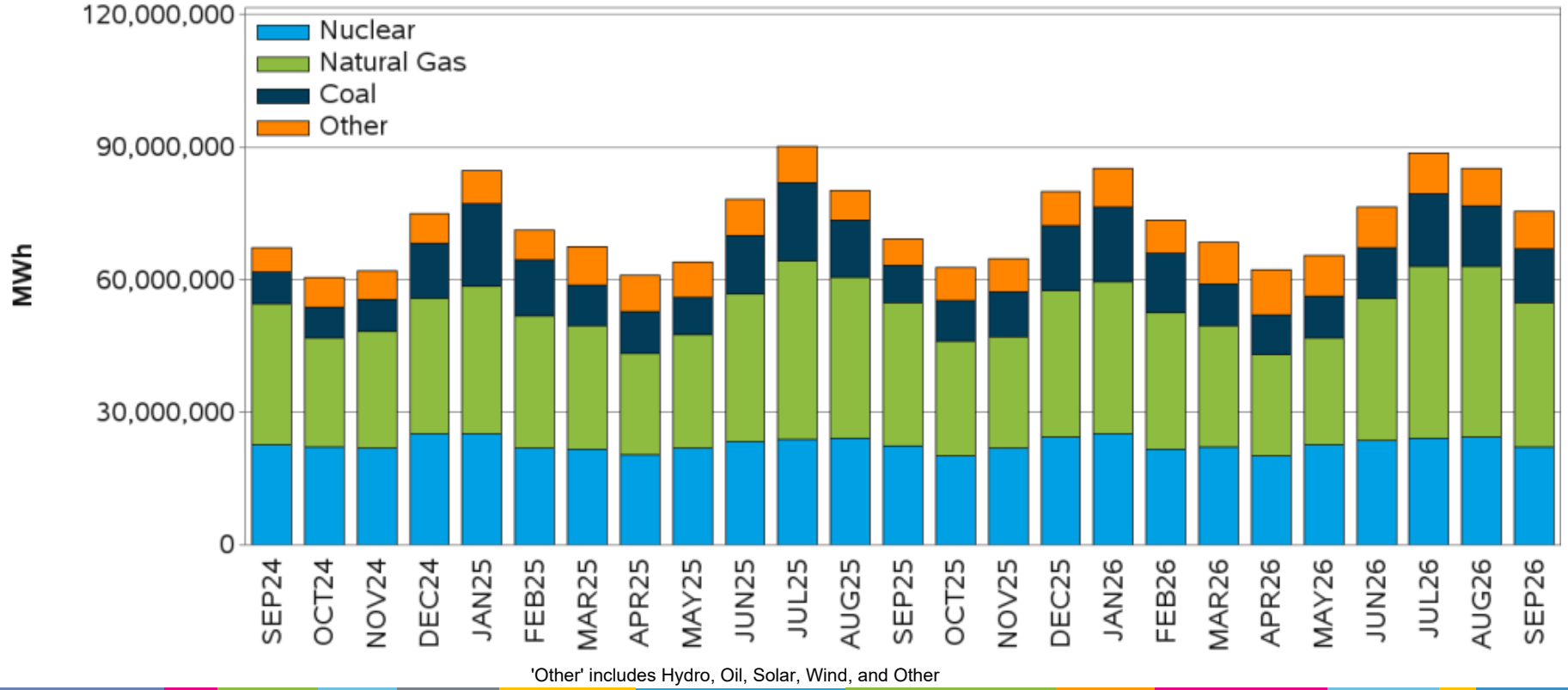
Monthly Generation by Fuel



'Other' includes Hydro, Oil, Solar, Wind, and Other

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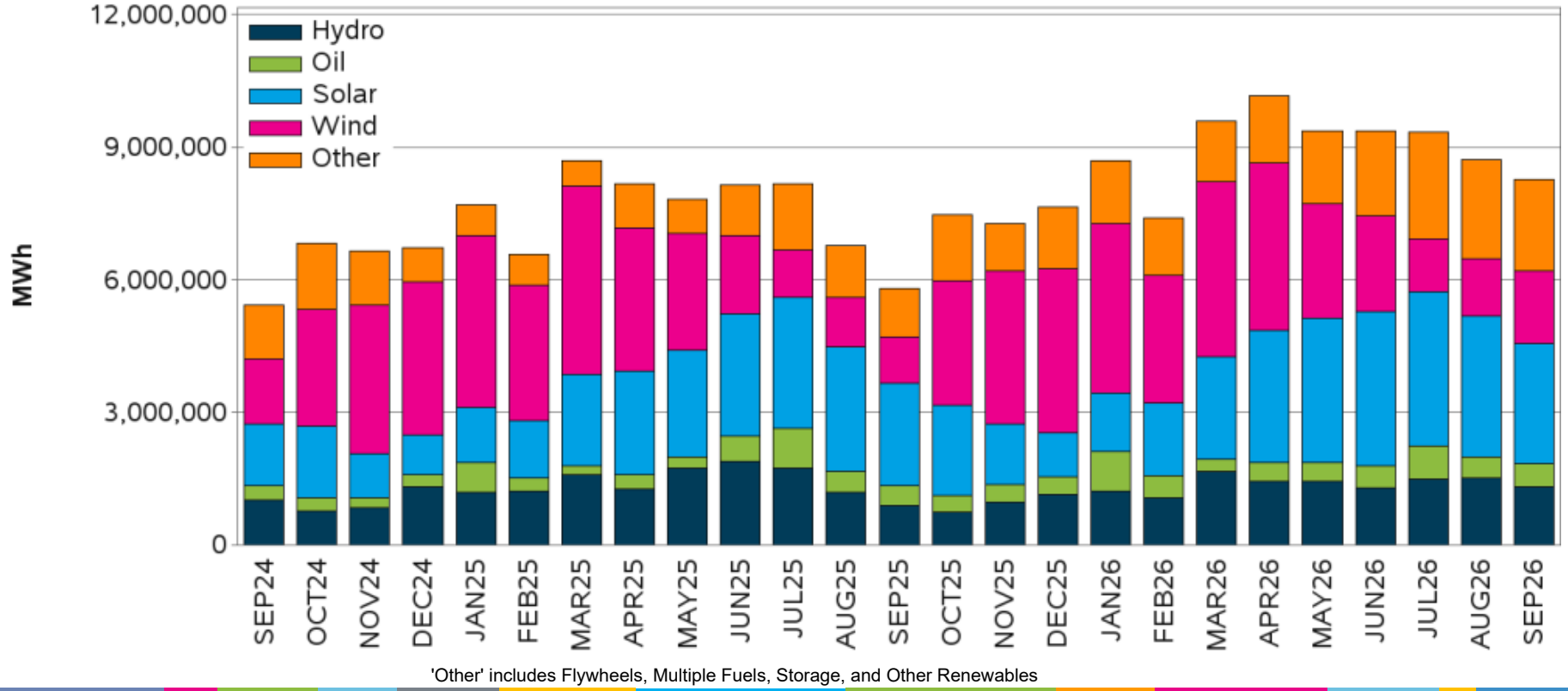
Monthly Generation by Fuel, Other



'Other' includes Flywheels, Multiple Fuels, Storage, and Other Renewables

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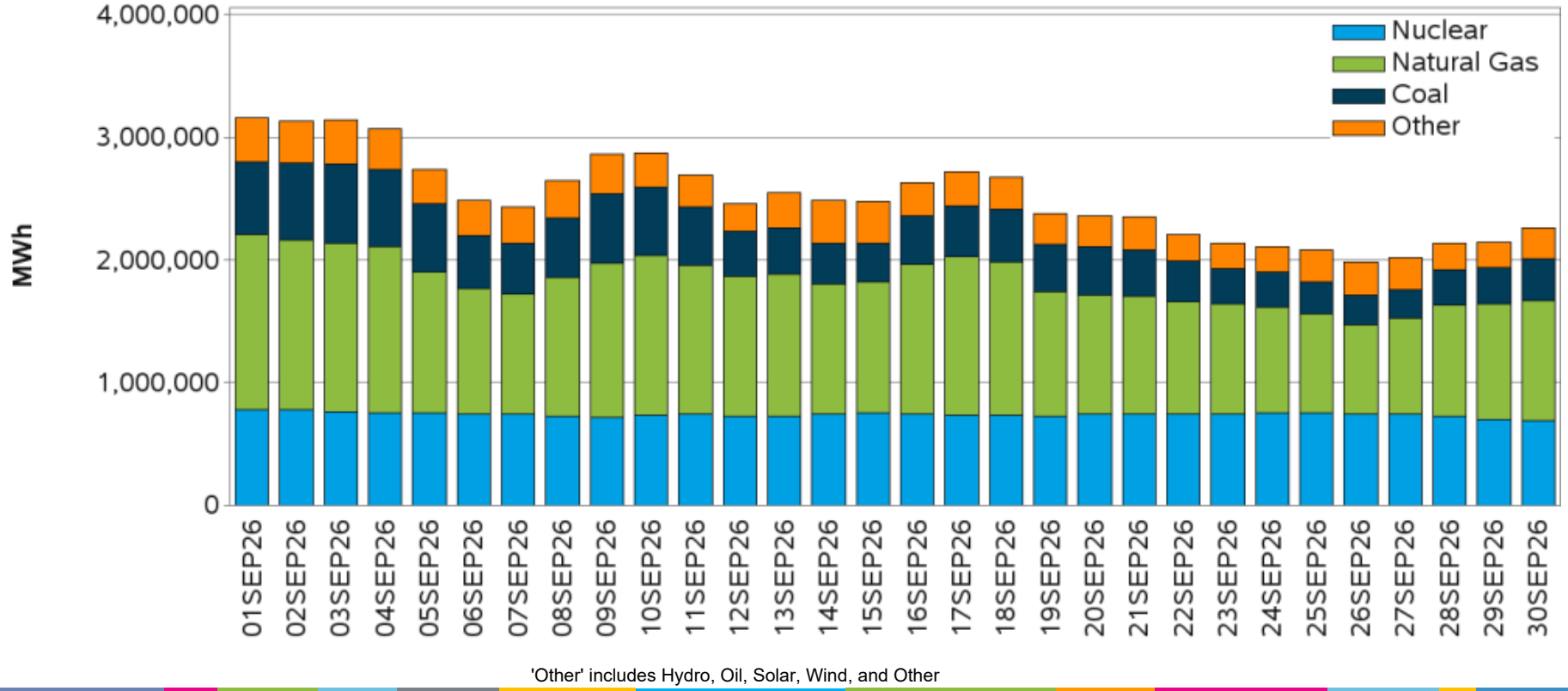
Daily Generation by Fuel - September



'Other' includes Hydro, Oil, Solar, Wind, and Other

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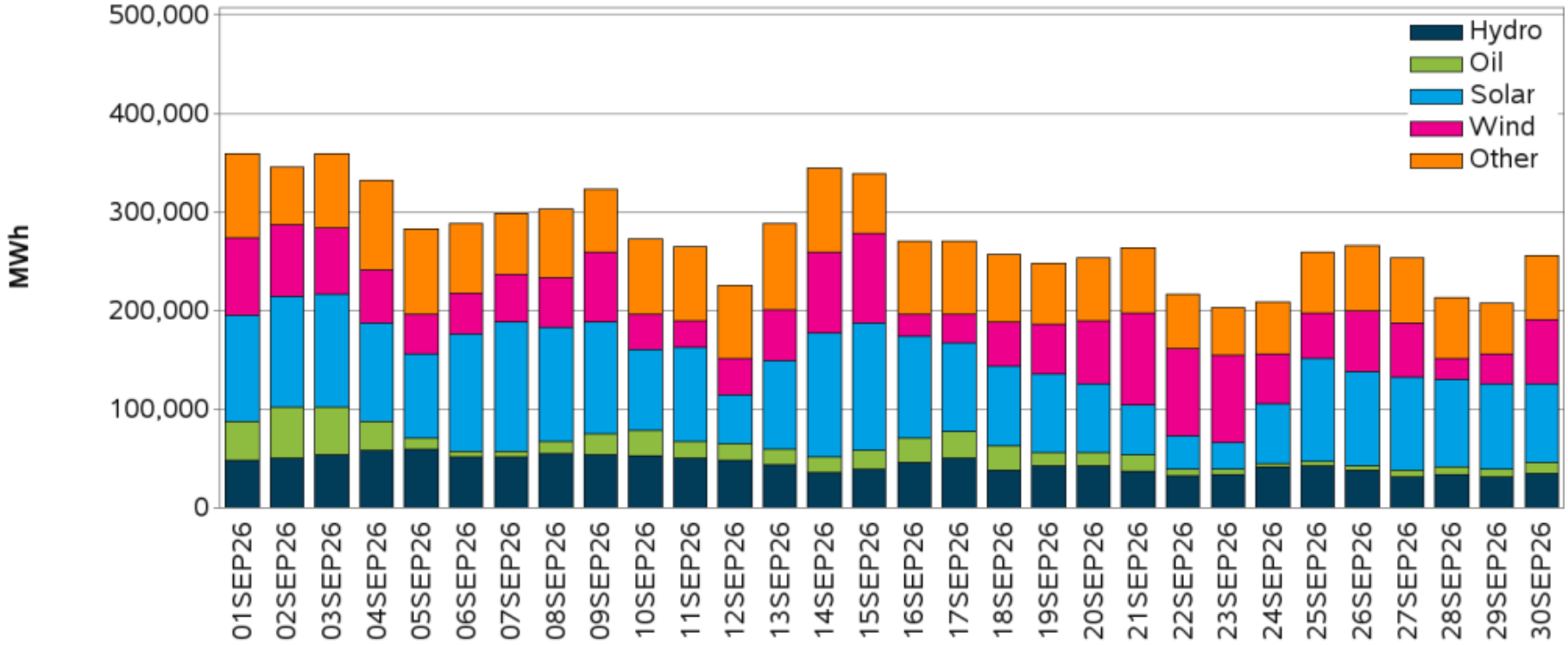
Daily Generation by Fuel, Other - September



'Other' includes Flywheels, Multiple Fuels, Storage, and Other Renewables

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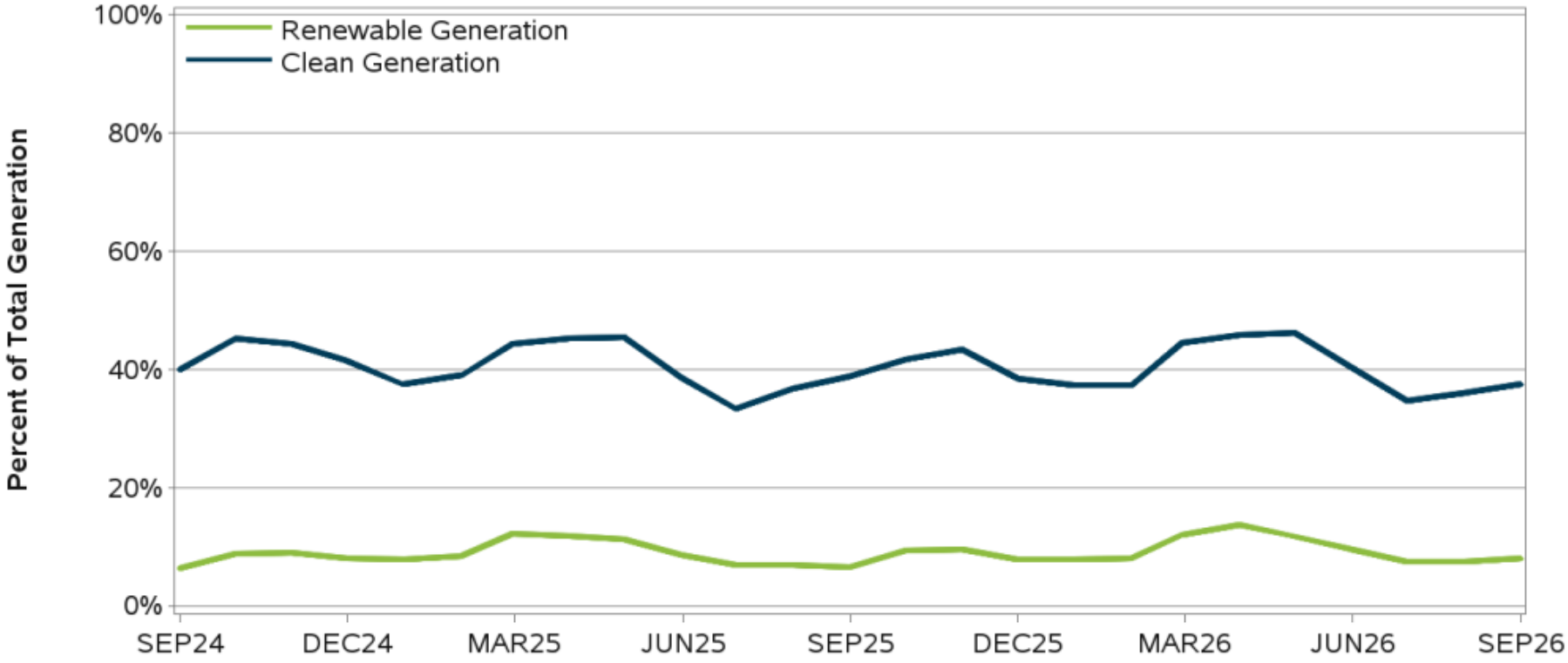
Percent of Renewable and Clean Generation



'Renewable' includes Wind, Solar, Hydro, and Other Renewables. 'Clean' includes Renewable and Nuclear.

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Operating Reserve

(Uplift)

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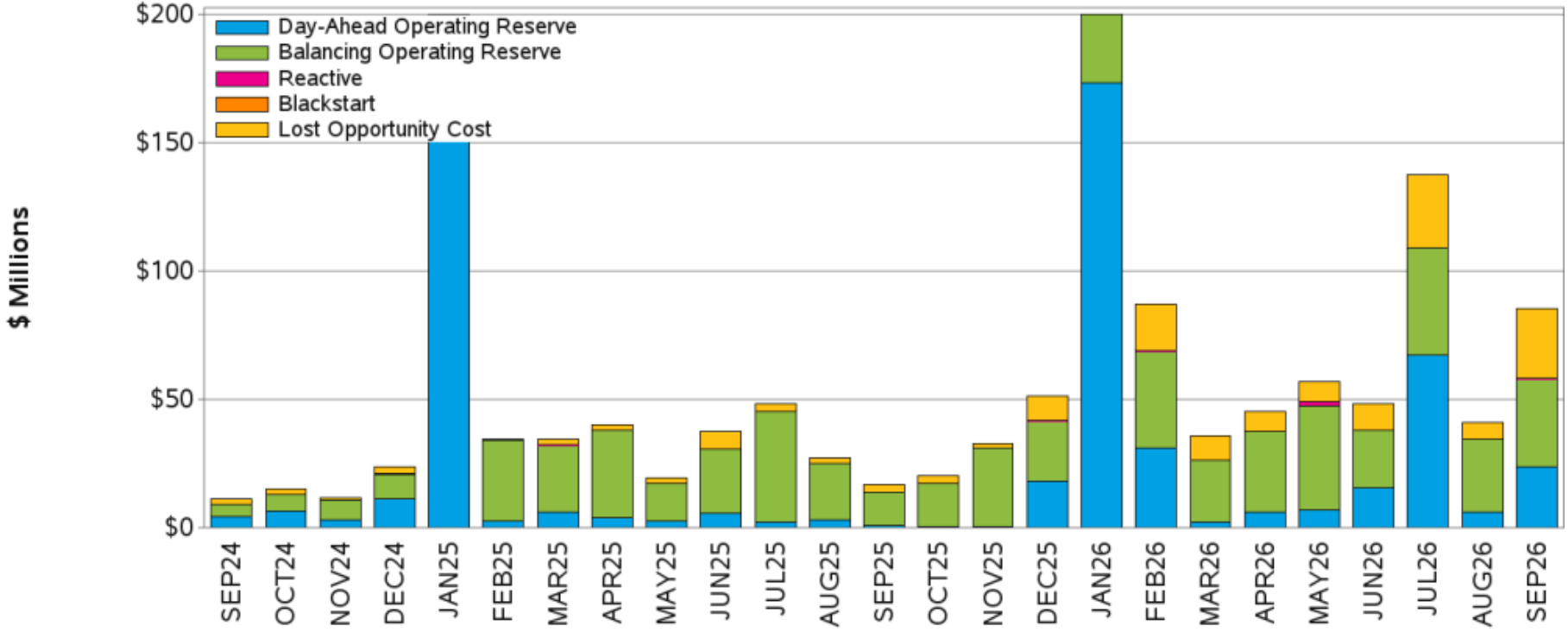
Monthly Uplift



*Uplift for January 2025 totaled nearly $400M. Please see previous reports or the report appendix for the breakout of costs.
*Uplift for January 2026 totaled nearly $850M. Please see previous reports or the report appendix for the breakout of costs.

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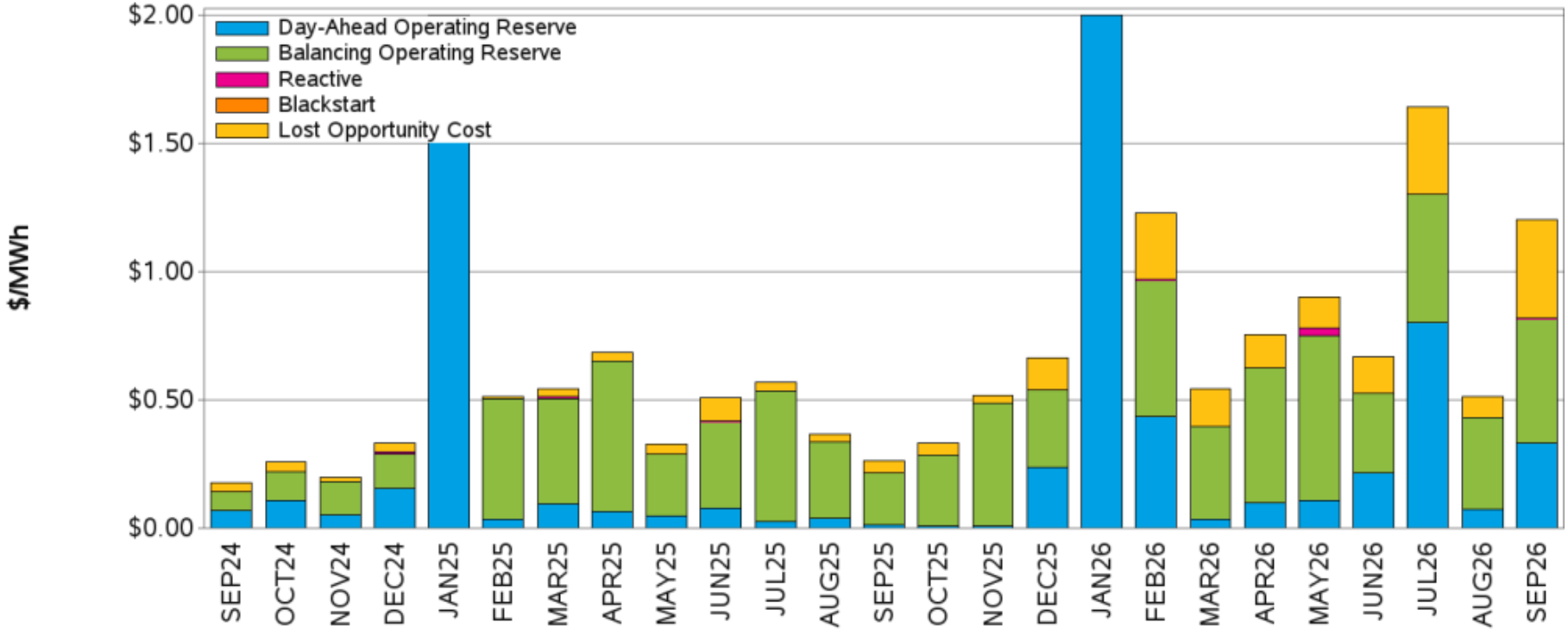
Monthly Uplift - $/MWh Load



*Uplift for January 2025 totaled nearly $5/MWh. Please see previous reports or the report appendix for the breakout of costs.
*Uplift for January 2026 totaled nearly $10.50/MWh. Please see previous reports or the report appendix for the breakout of costs.

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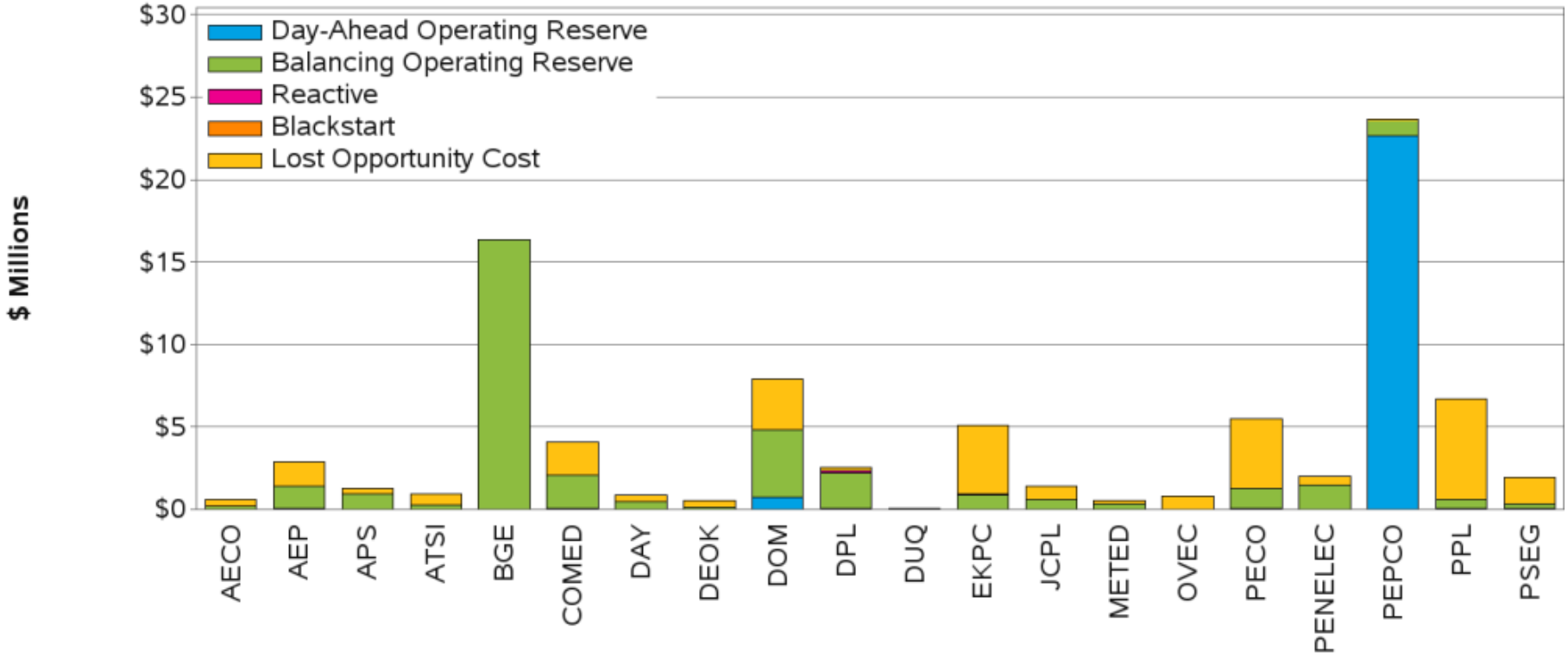
Zonal Uplift - September



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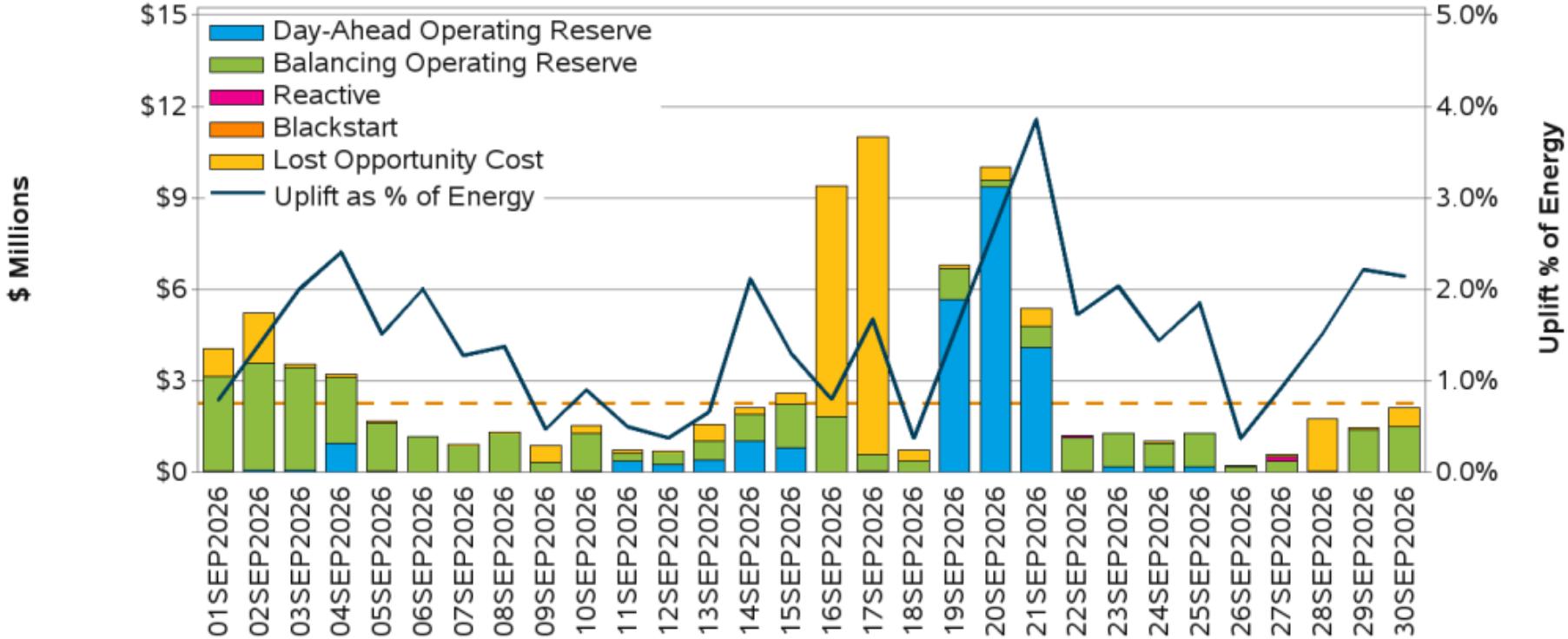
Daily Uplift - September



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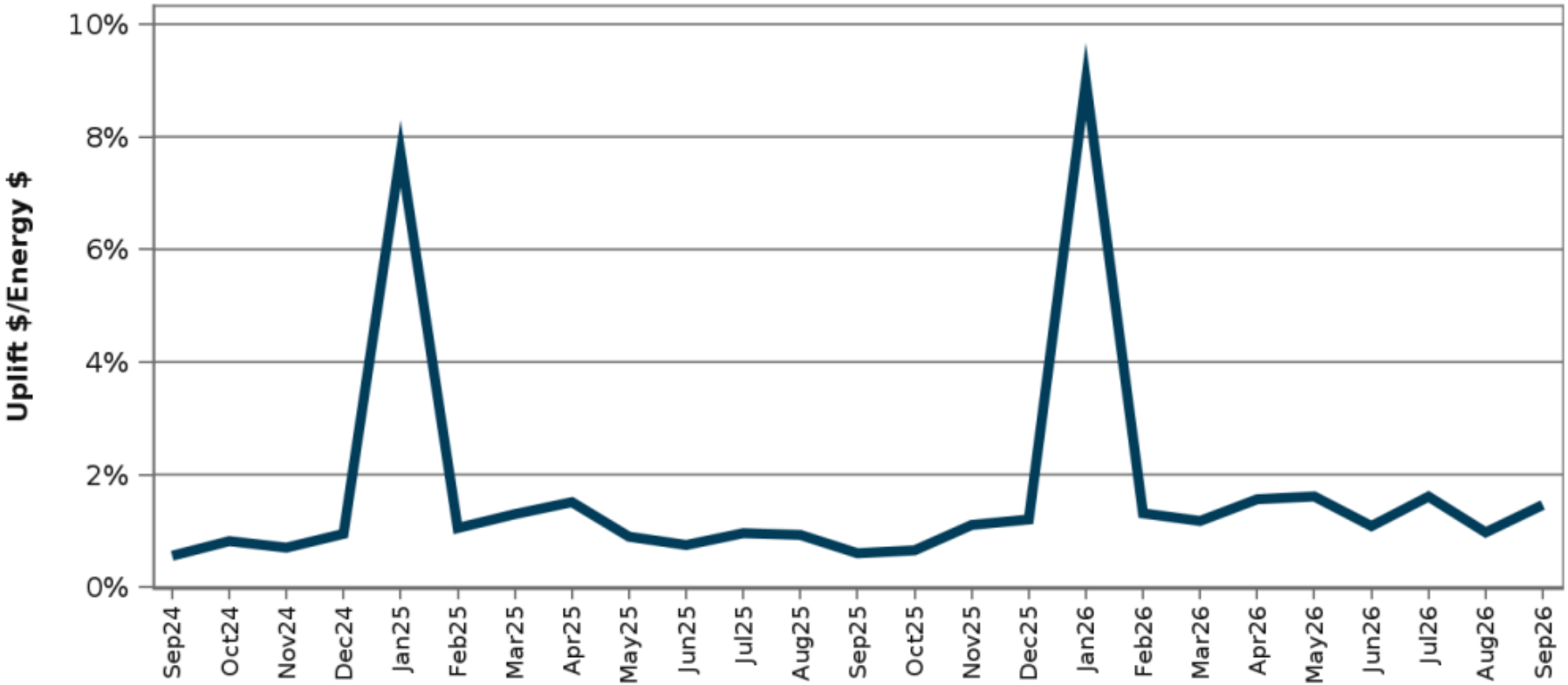
Monthly Uplift as a Percent of Energy Costs



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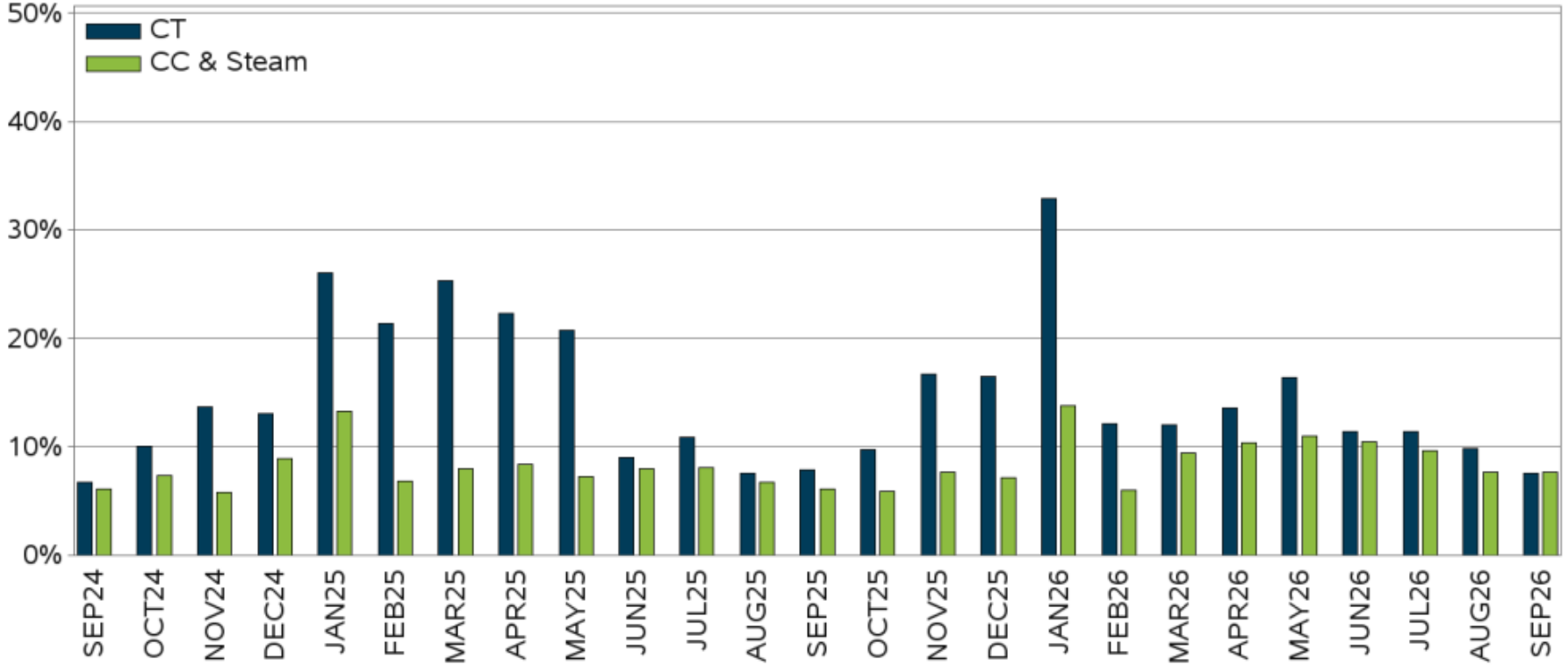
Percent of Total CT, CC and Steam Hours with LMP < Offer



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- Beginning in December 2008, the daily Balancing Operating Reserves (BOR) rate was replaced with six different BOR rates: RTO BOR for Reliability Rate, RTO BOR for Deviations Rate, East BOR for Reliability Rate, East BOR for Deviations Rate, West BOR for Reliability Rate, West BOR for Deviations Rate.

- Reliability rates are charged to all real-time load and exports, whereas deviation rates, as before, are charged only to real-time deviations. RTO rates are charged to the whole footprint, whereas East and West rate adders are charged based on location.

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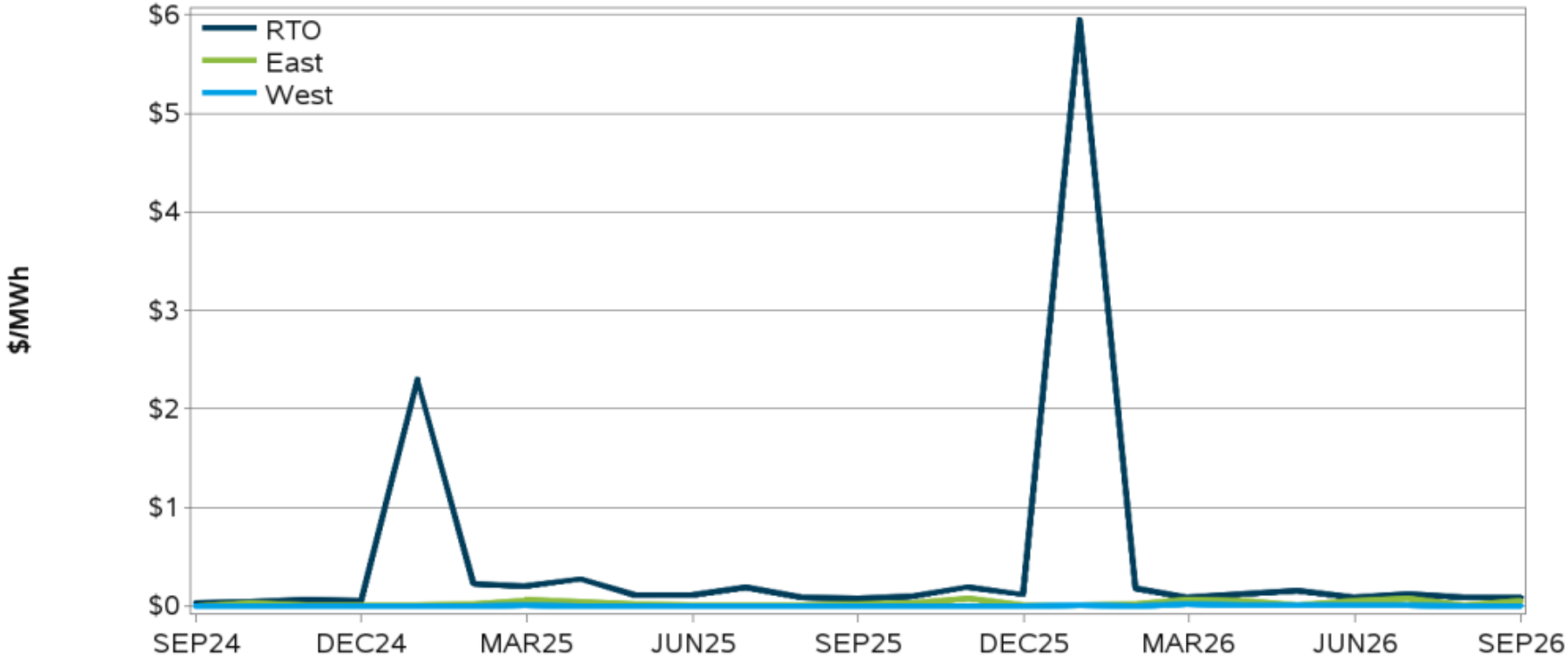
Reliability Balancing Operating Reserve Rates



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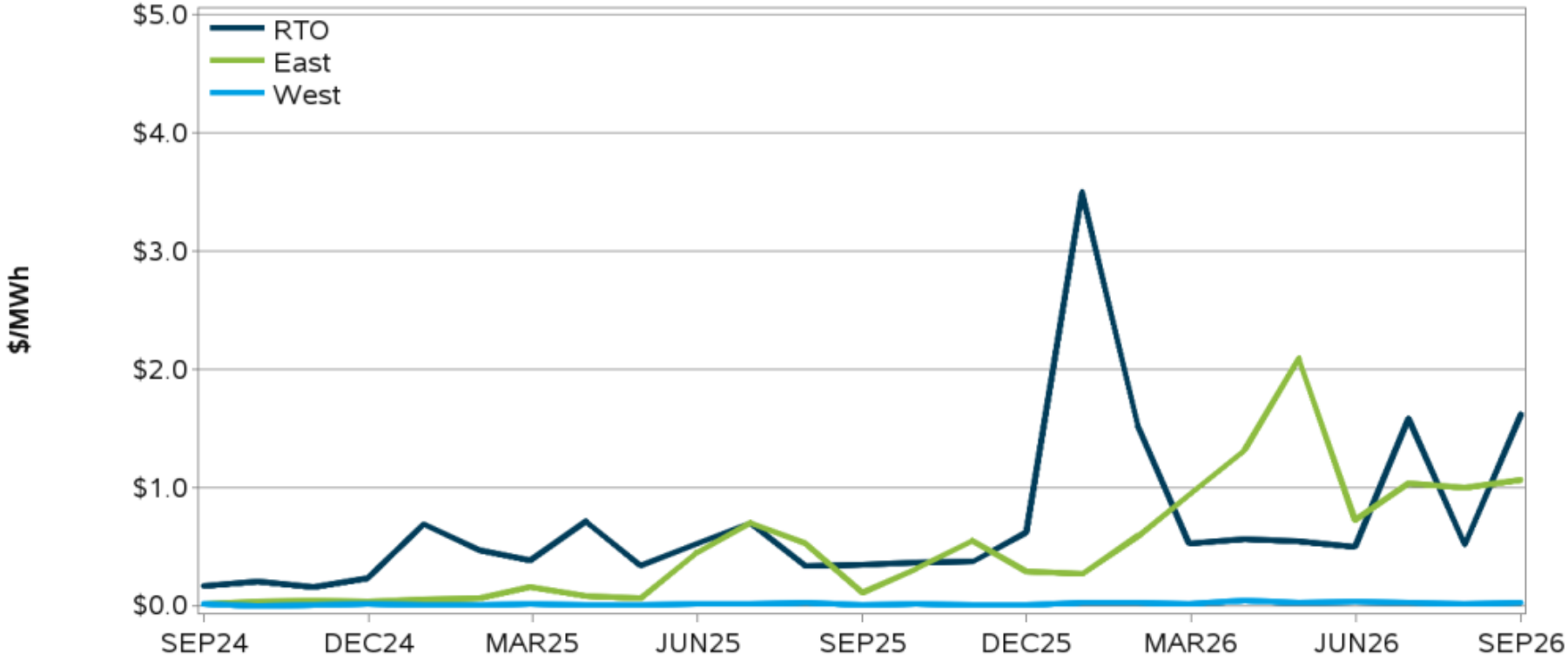
Deviations Balancing Operating Reserve Rates



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LMP Summary

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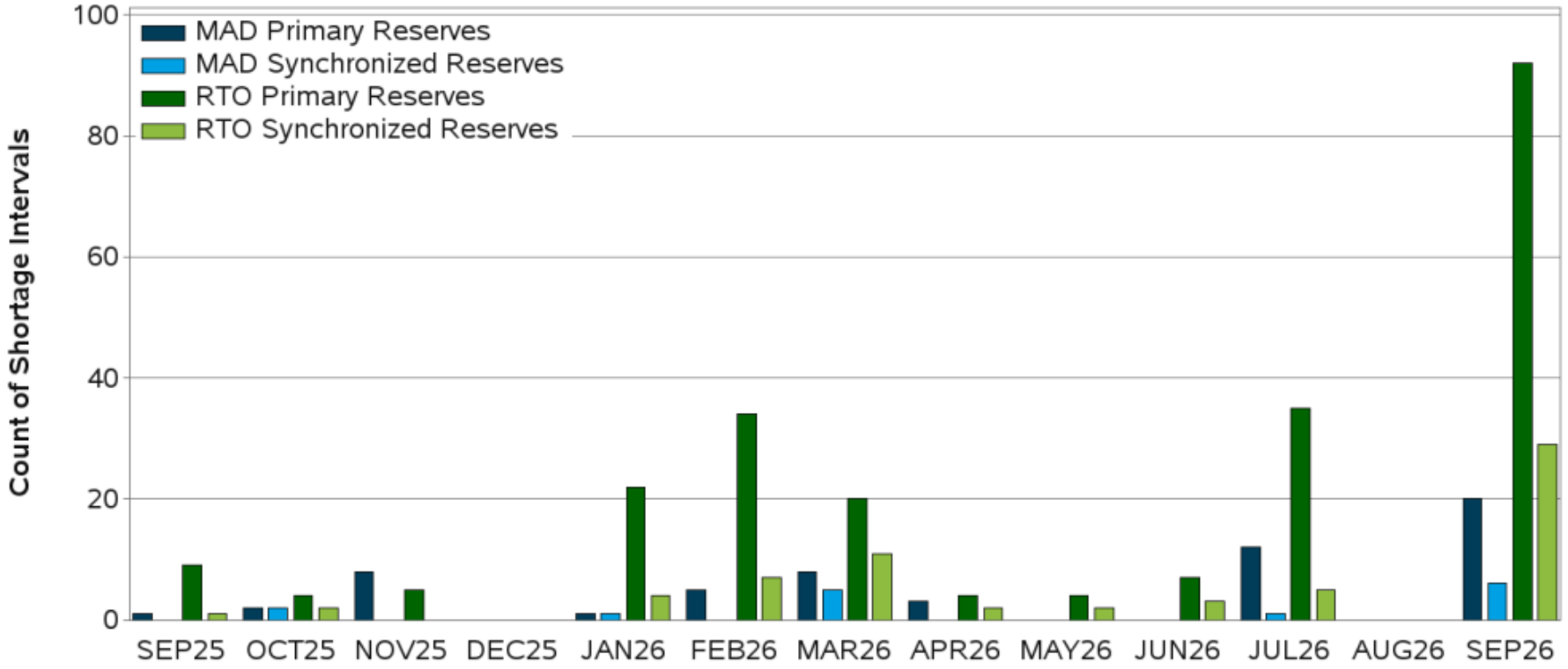
Shortage Pricing Intervals



Information on constraints and shadow prices can be found here

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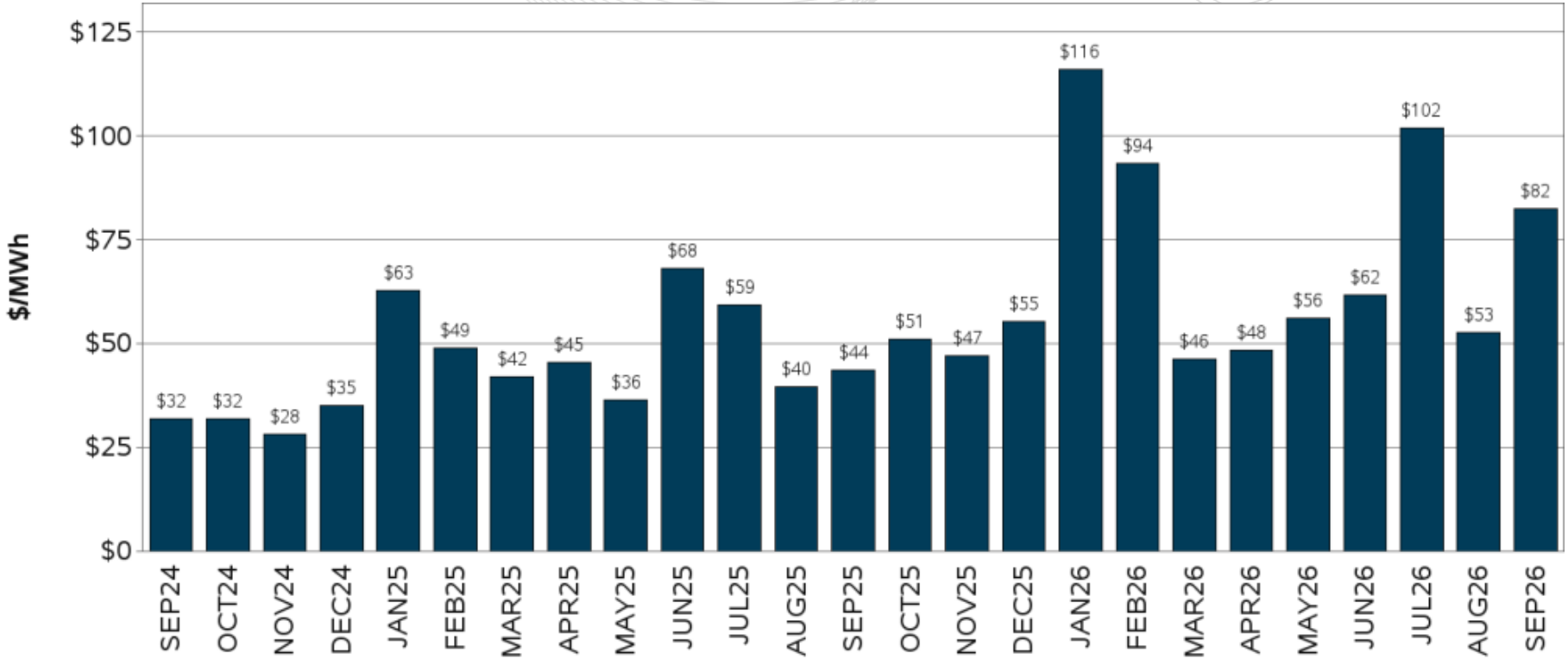
Monthly Load-Weighted Average Real-time LMP



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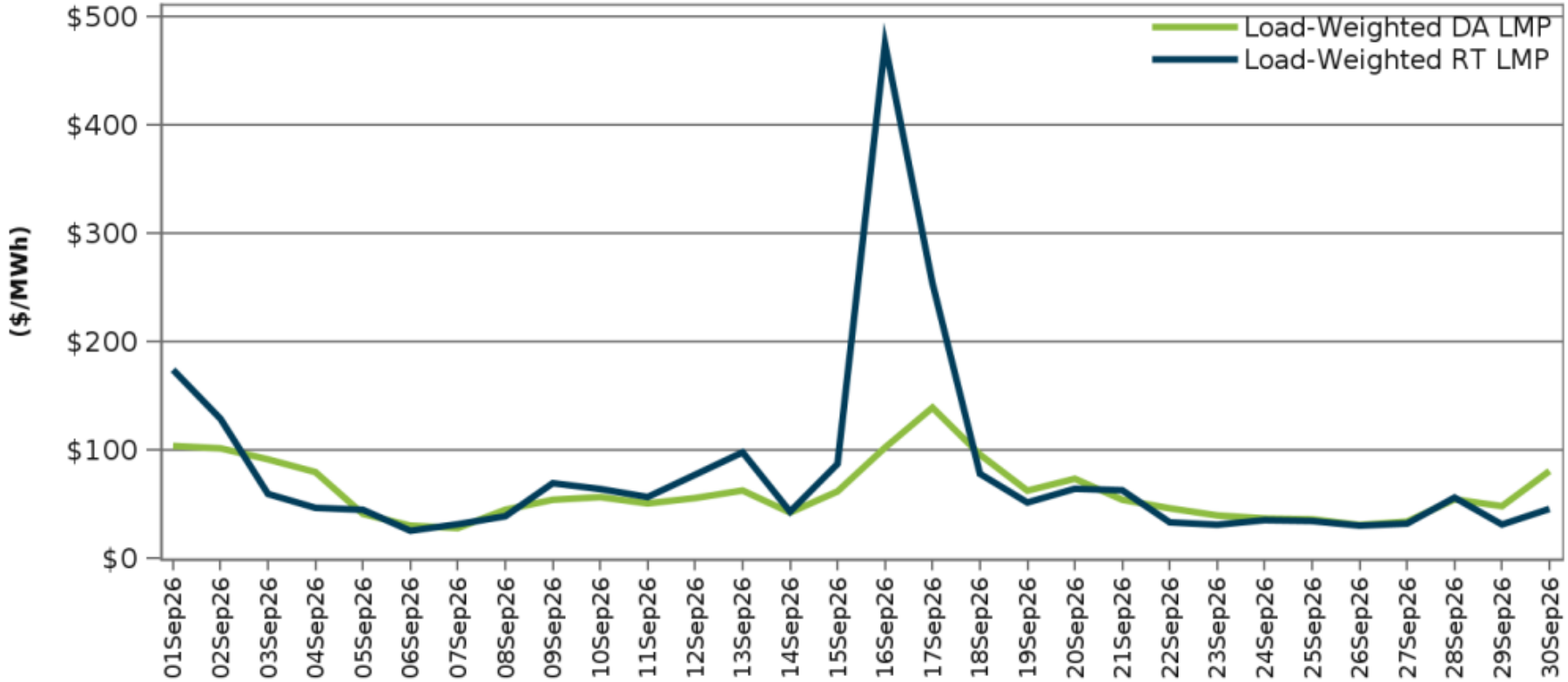
Daily Load-Weighted Average DA & RT LMP



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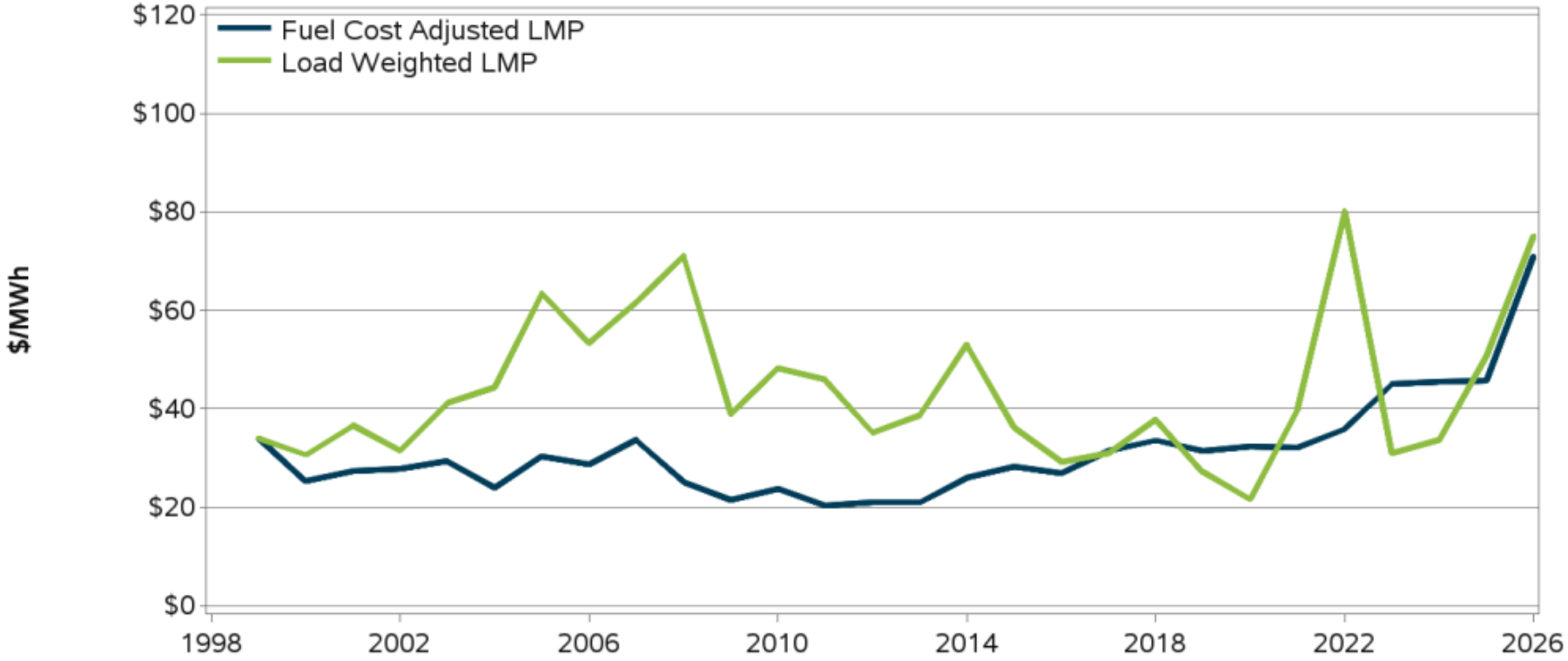
Fuel Cost Adjusted LMP (Referenced to 1999 Fuel Prices)



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Energy Market

Demand Response Summary

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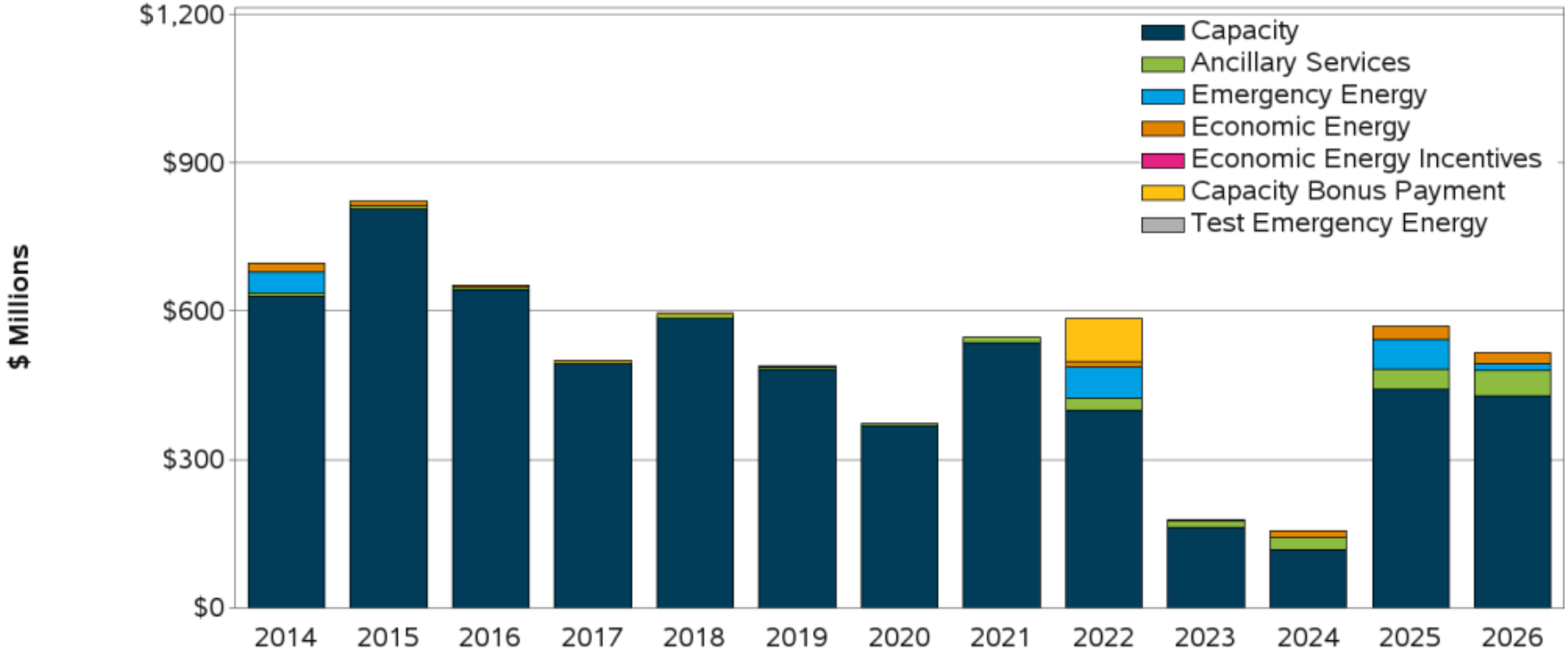
Demand Side Response Estimated Revenue



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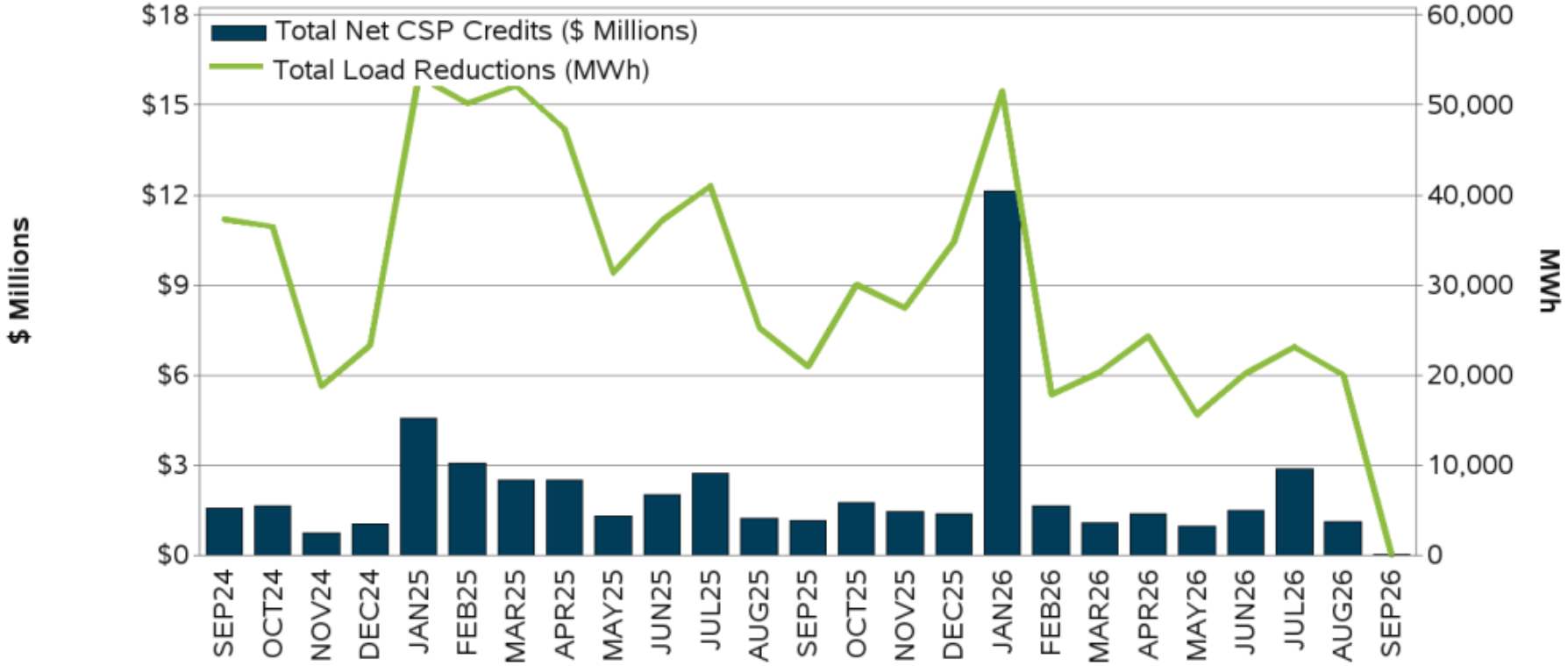
Economic Demand Response Activity



*Data for the last few months are subject to significant change due to the settlement window.

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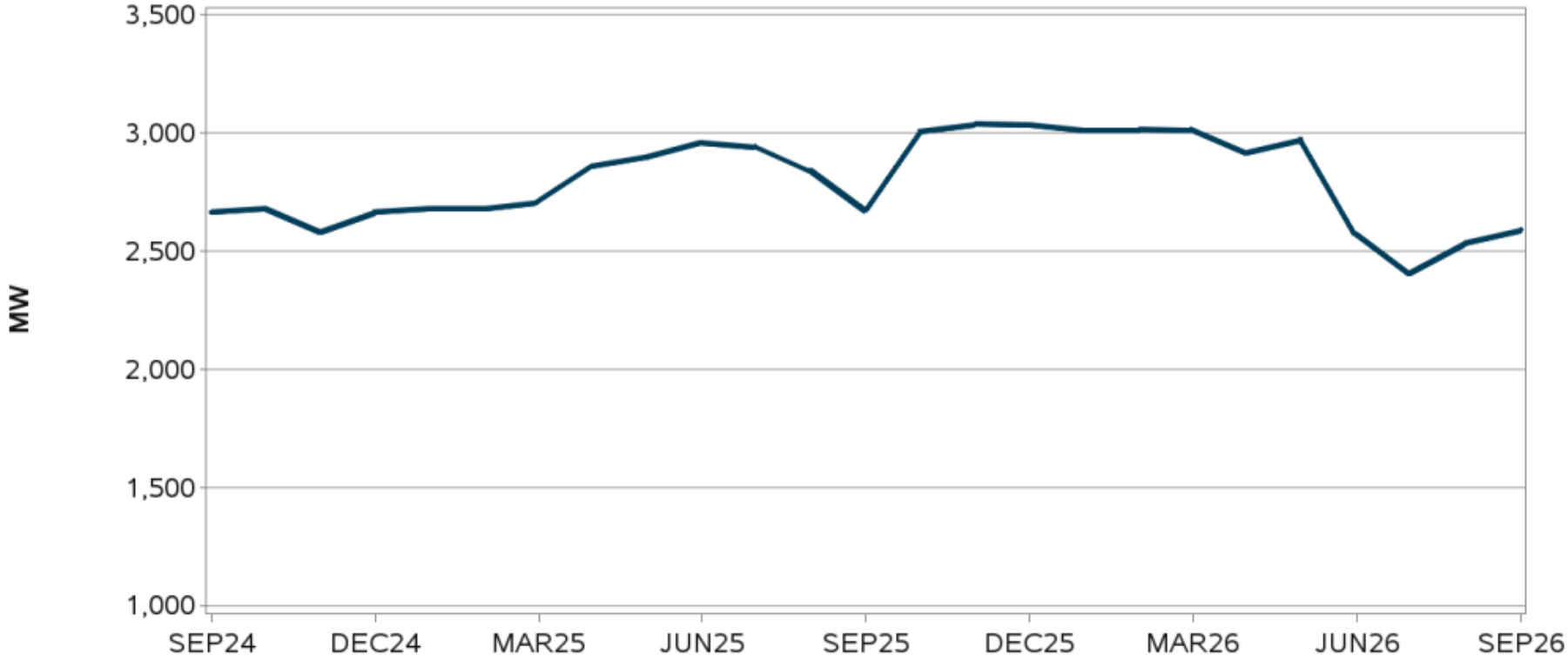
Total Registered MW in PJM's Economic Demand Response



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Energy Market

Virtual Activity Summary

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- The following six charts depict trends in submitted and cleared virtual and up-to-congestion transactions, in terms of number and volume, into the PJM Energy Market. The first two of these charts show the submitted and cleared increment and decrement bids (virtual transactions or virtuals) and they are the same as what was previously being presented in this report. The two charts after them display the trends in submitted and cleared up-to-congestion transactions into the PJM Energy Market. The last two of these six charts combine the virtual and up-to-congestion transactions and show the sum of these two categories.

- To clarify what a bid or transaction is, please consider the following example: An offer (increment, decrement or up-to-congestion) of 10 MW, valid for eight hours for a given day, is captured in the charts as eight submitted bids/transactions and 80 submitted MWh. If this offer fully clears for three of the hours it was submitted for, it shows in the charts as three cleared bids/transactions and 30 cleared MWh.

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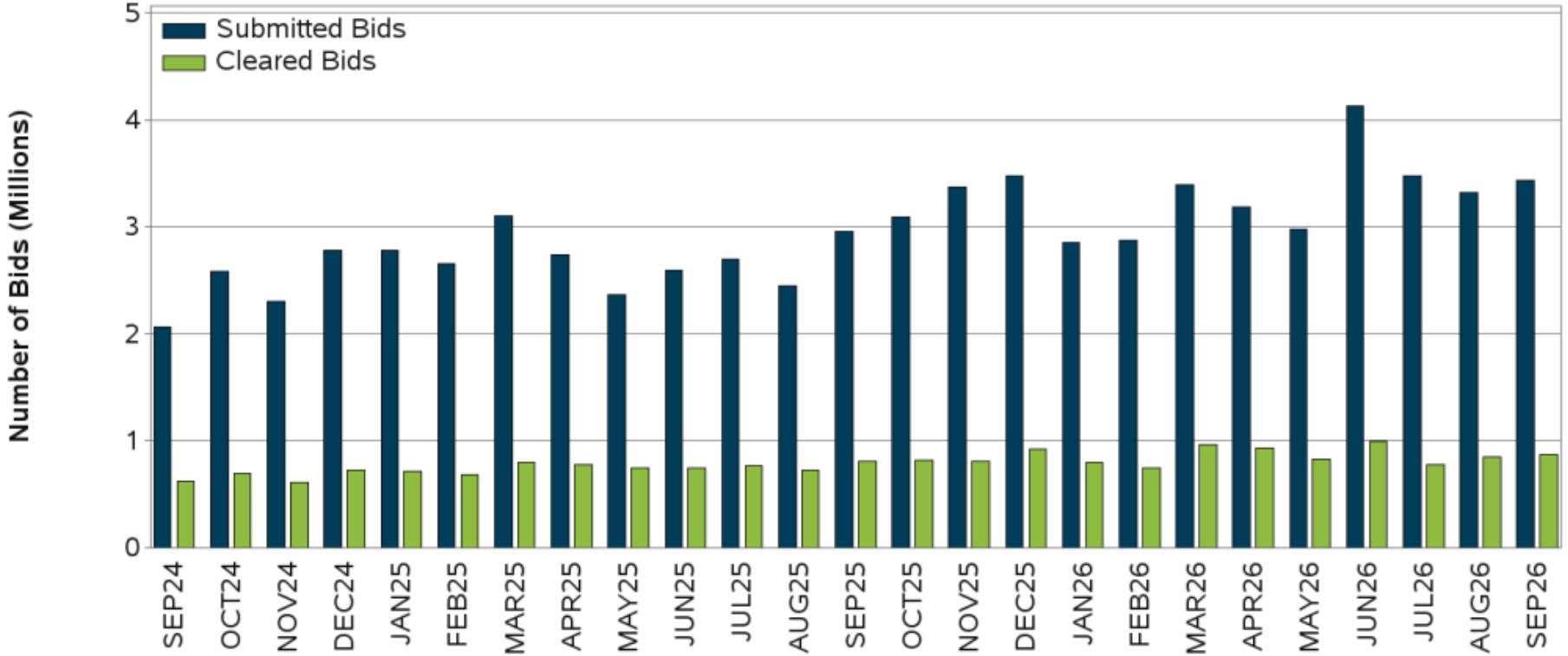
Virtual Bids (INCs & DECs) - Total Number



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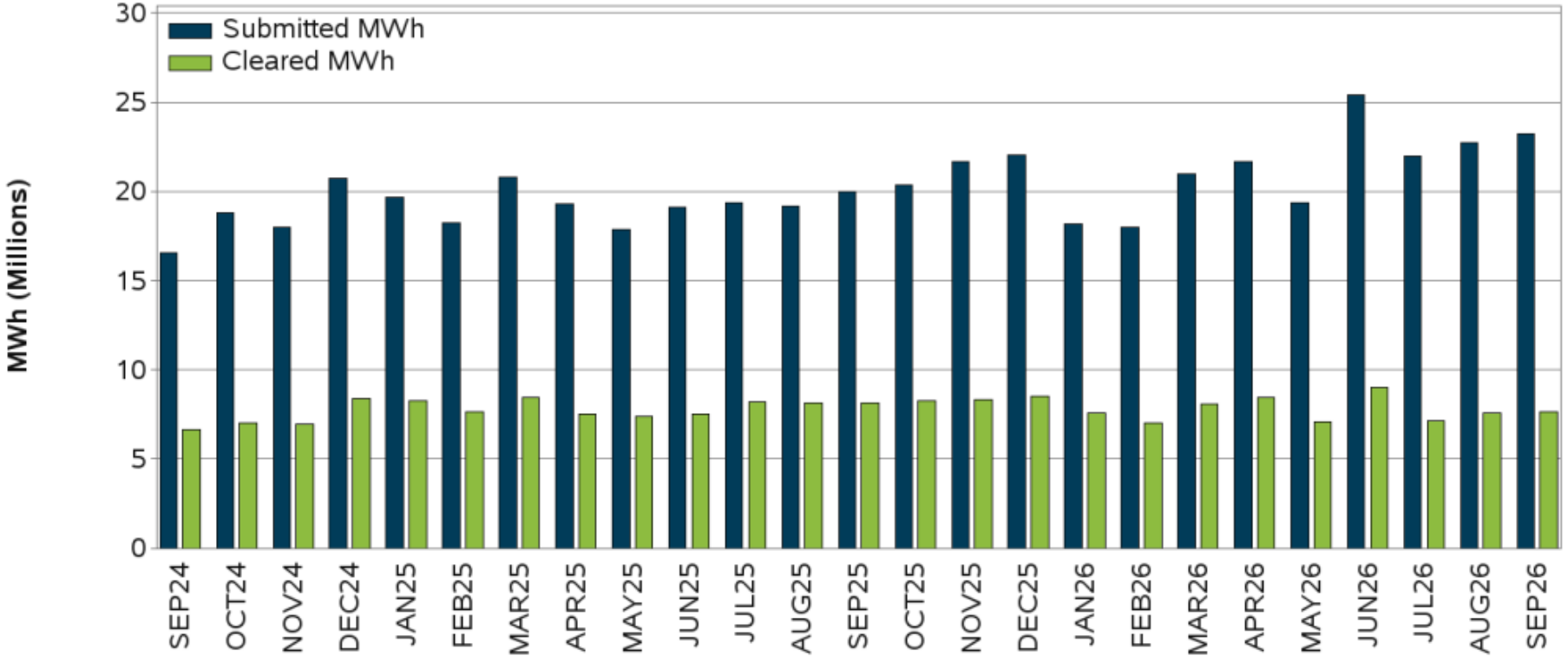
Virtual Bids (INCs & DECs) - Total Volume



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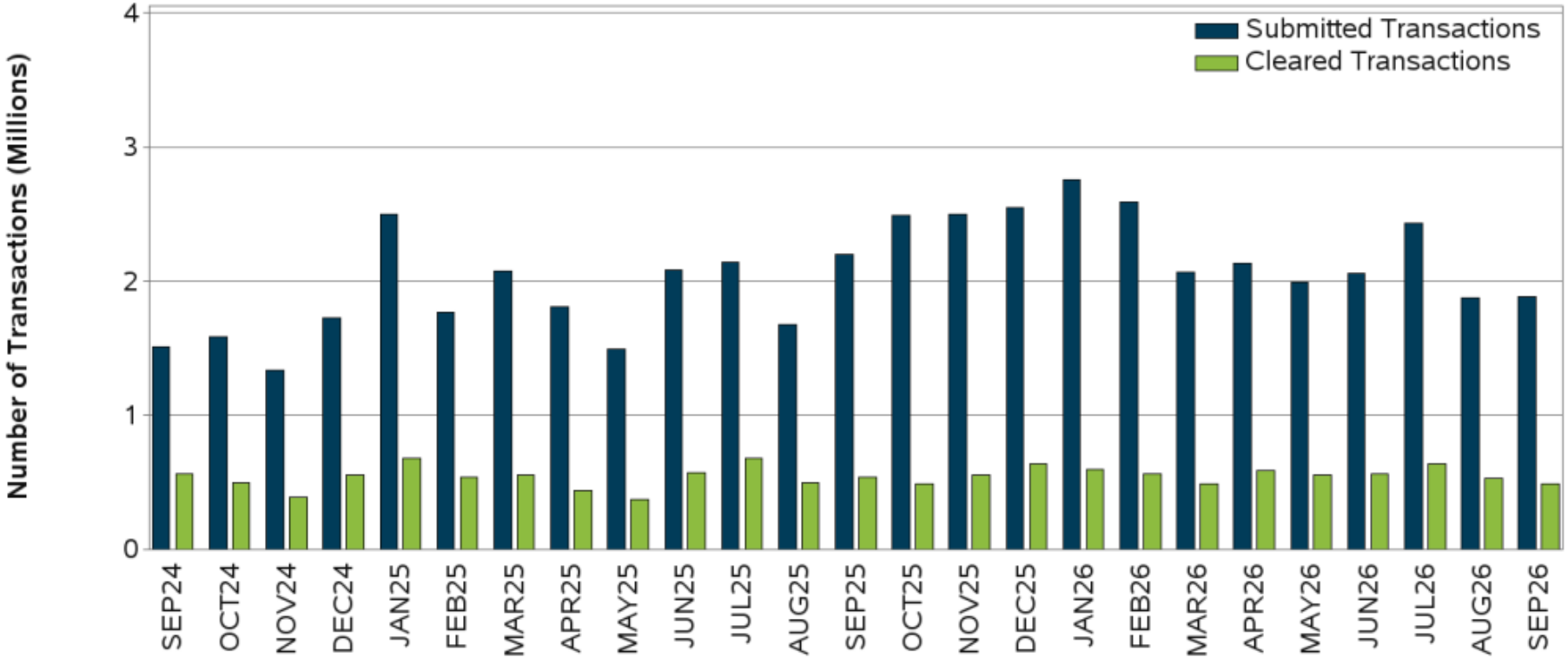
Up-To-Congestion Transactions - Total Number



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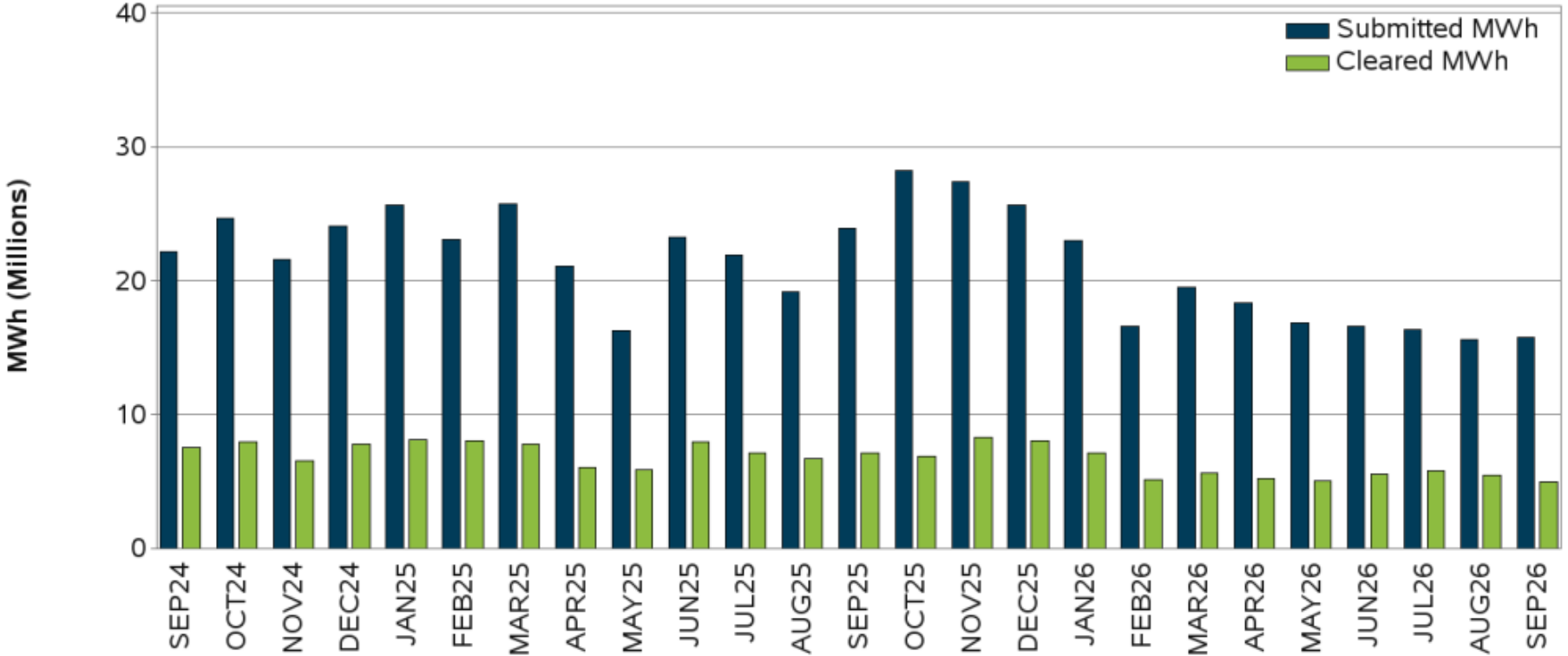
Up-To-Congestion Transactions - Total Volume



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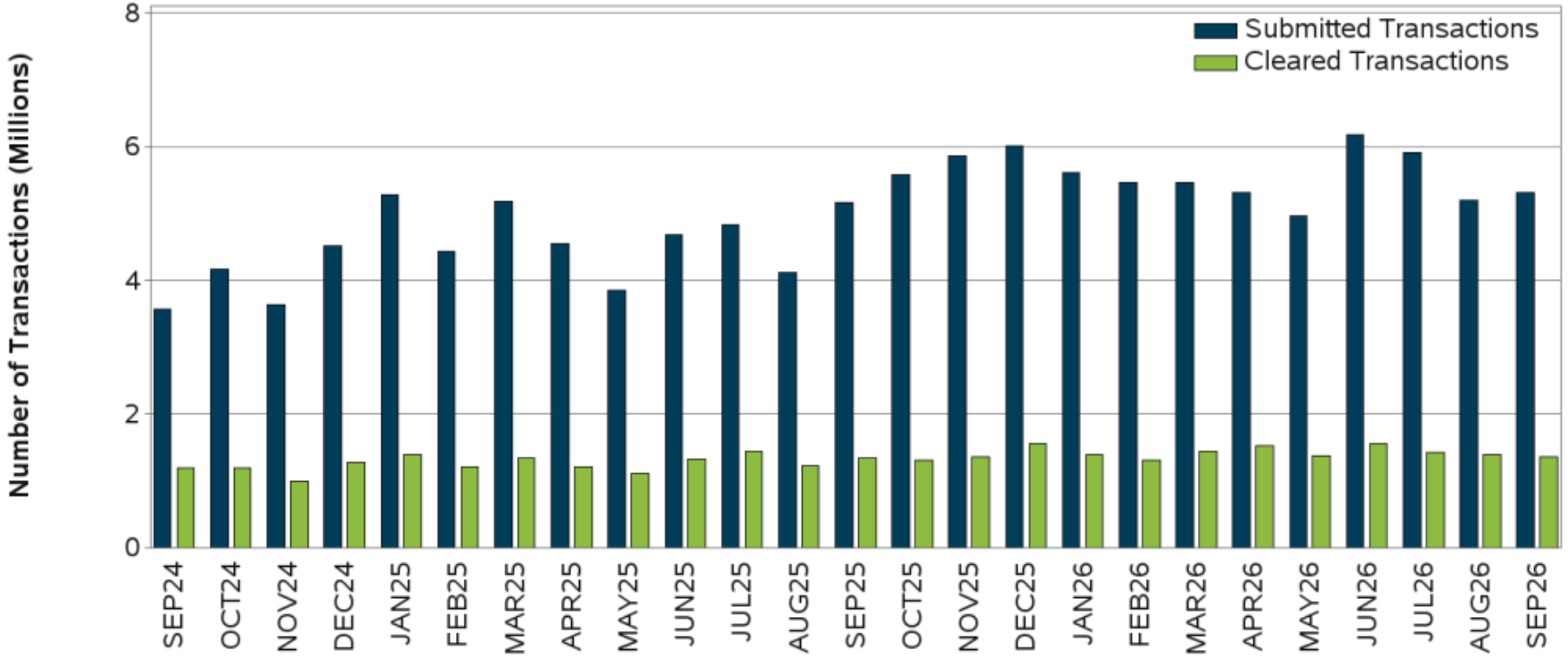
INCs, DECs and Up-To-Congestion Transactions - Total Number



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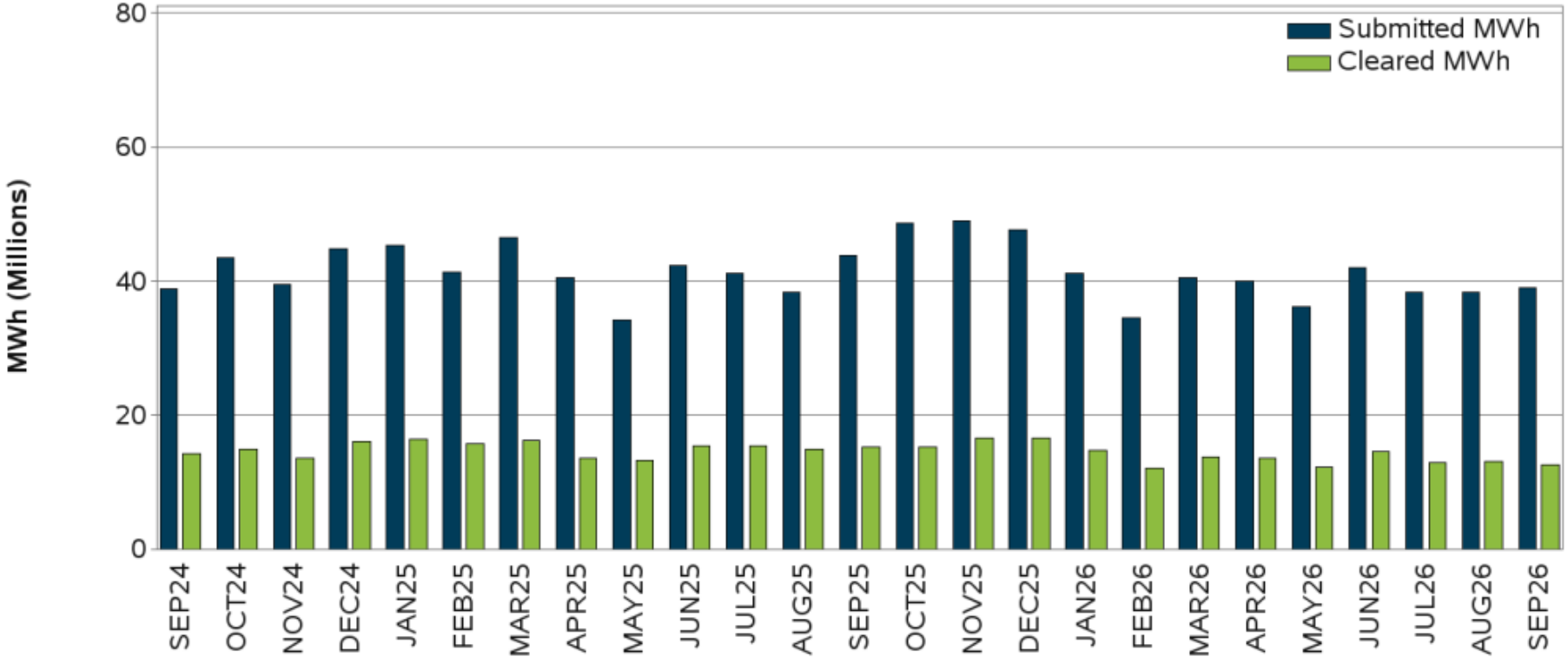
INCs, DECs and Up-To-Congestion Transactions - Total Volume



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Energy Market

Congestion and FTR Summary

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FTR Funding

Period	Surplus / Underfunding	Payout Ratio
September 2026	$-57,374,303	88%
2026	$837,081,383	100%
2026/2027	$279,110,473	100%

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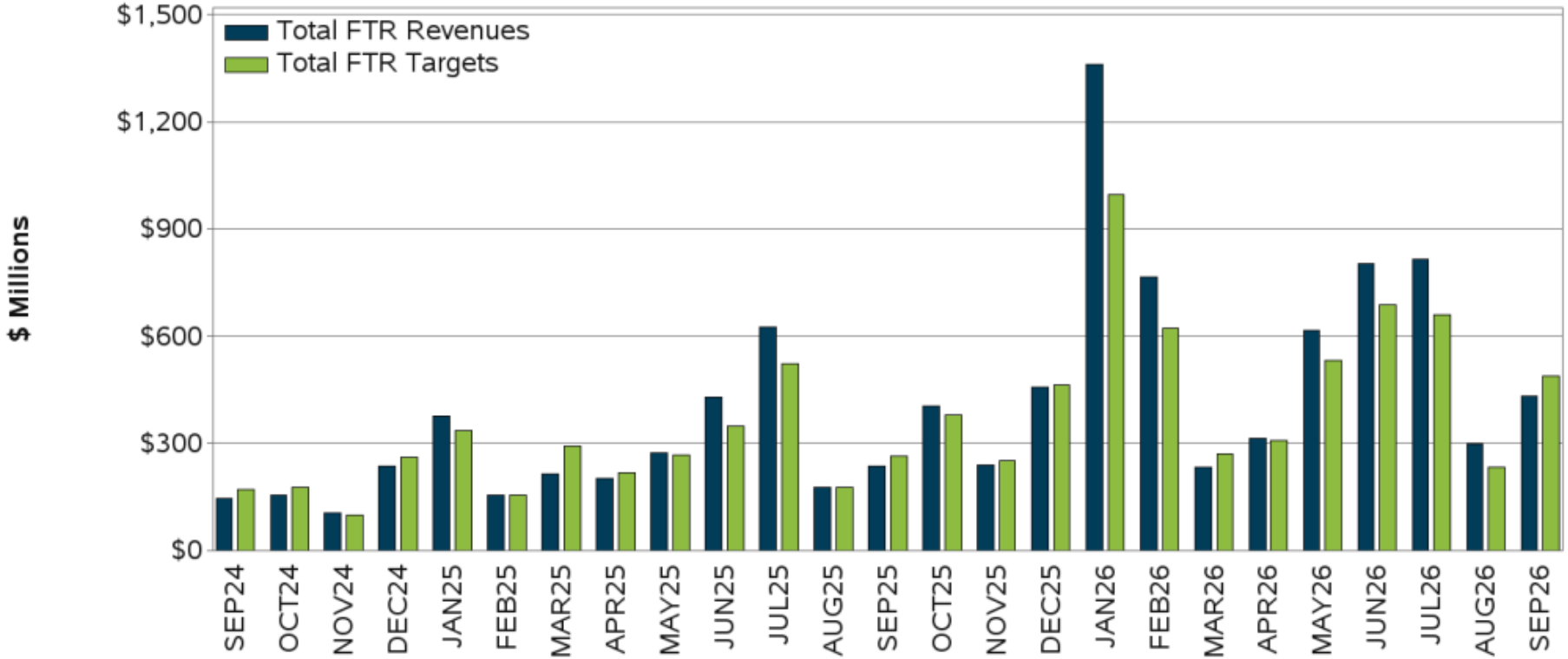
FTR Revenue vs. FTR Target Allocation



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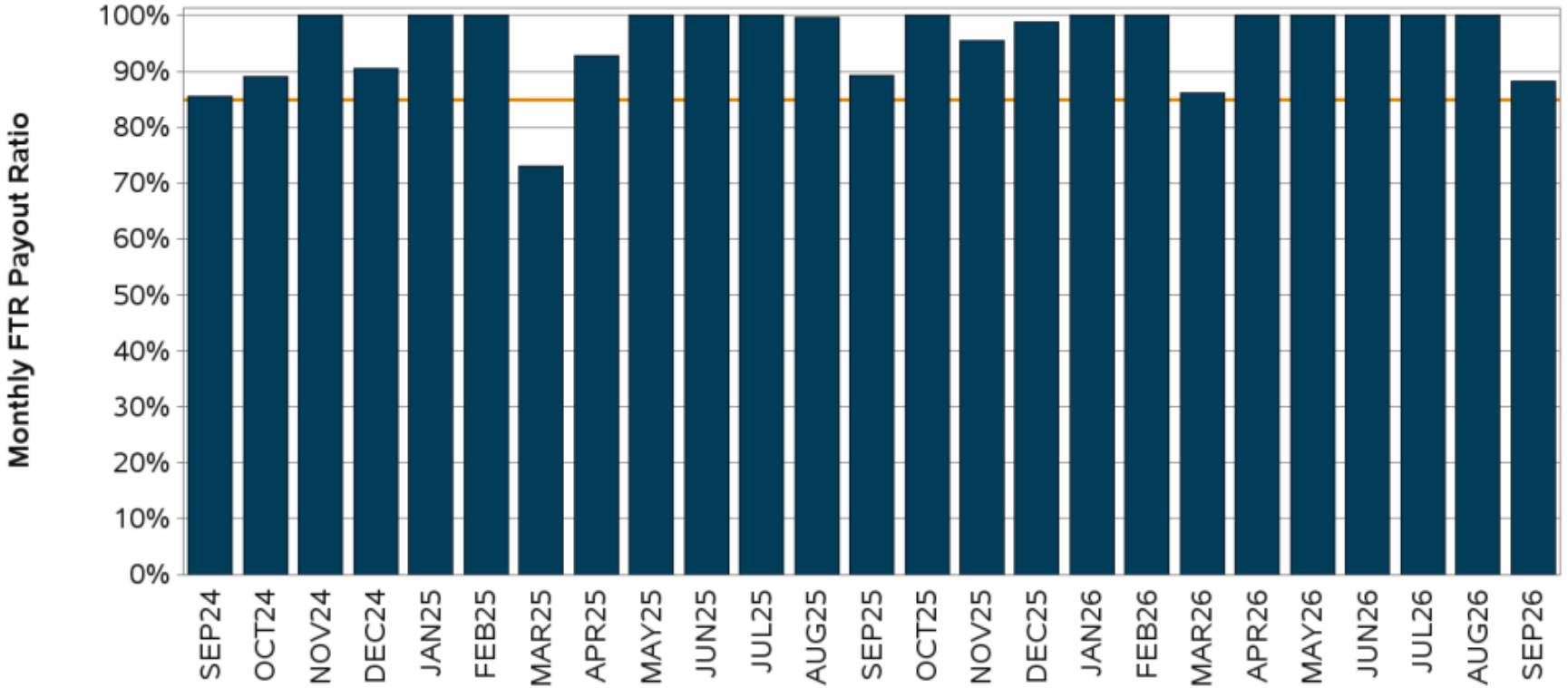
Monthly FTR Payout



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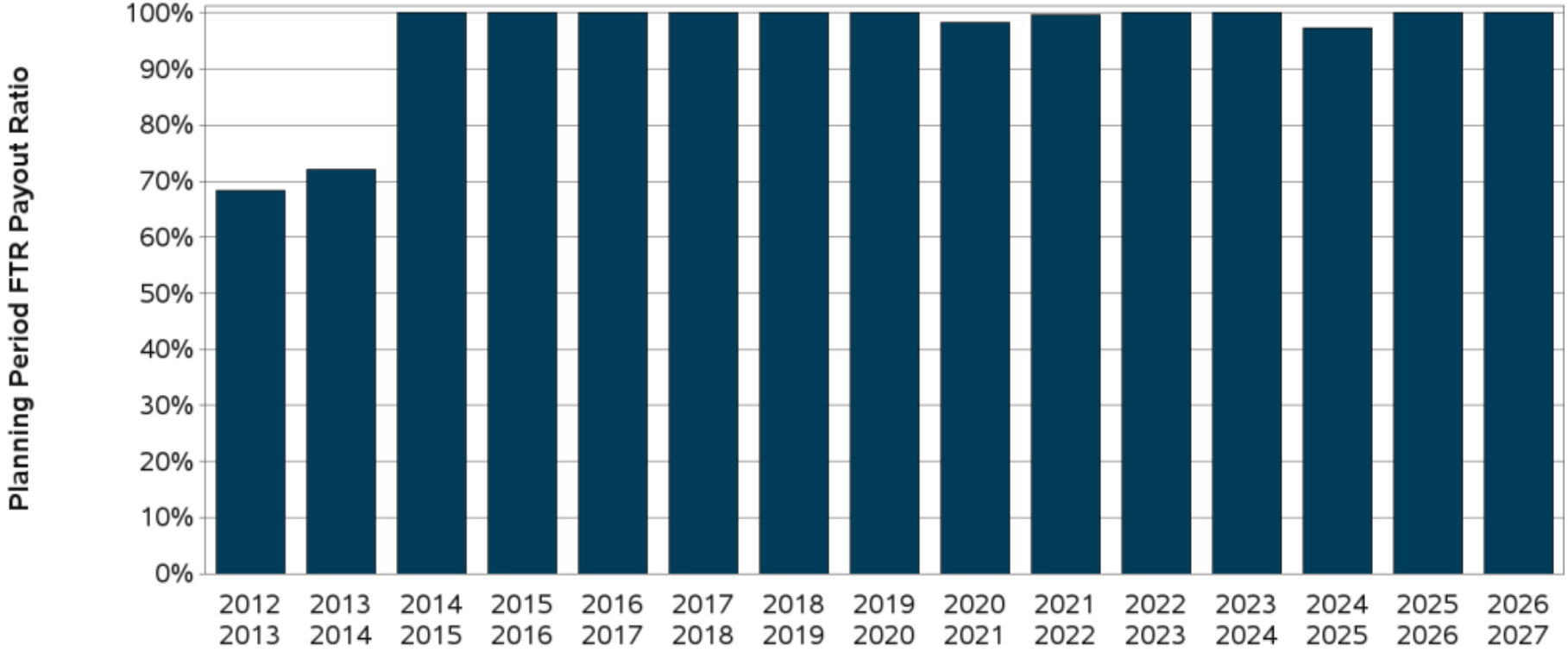
Planning Period FTR Payout



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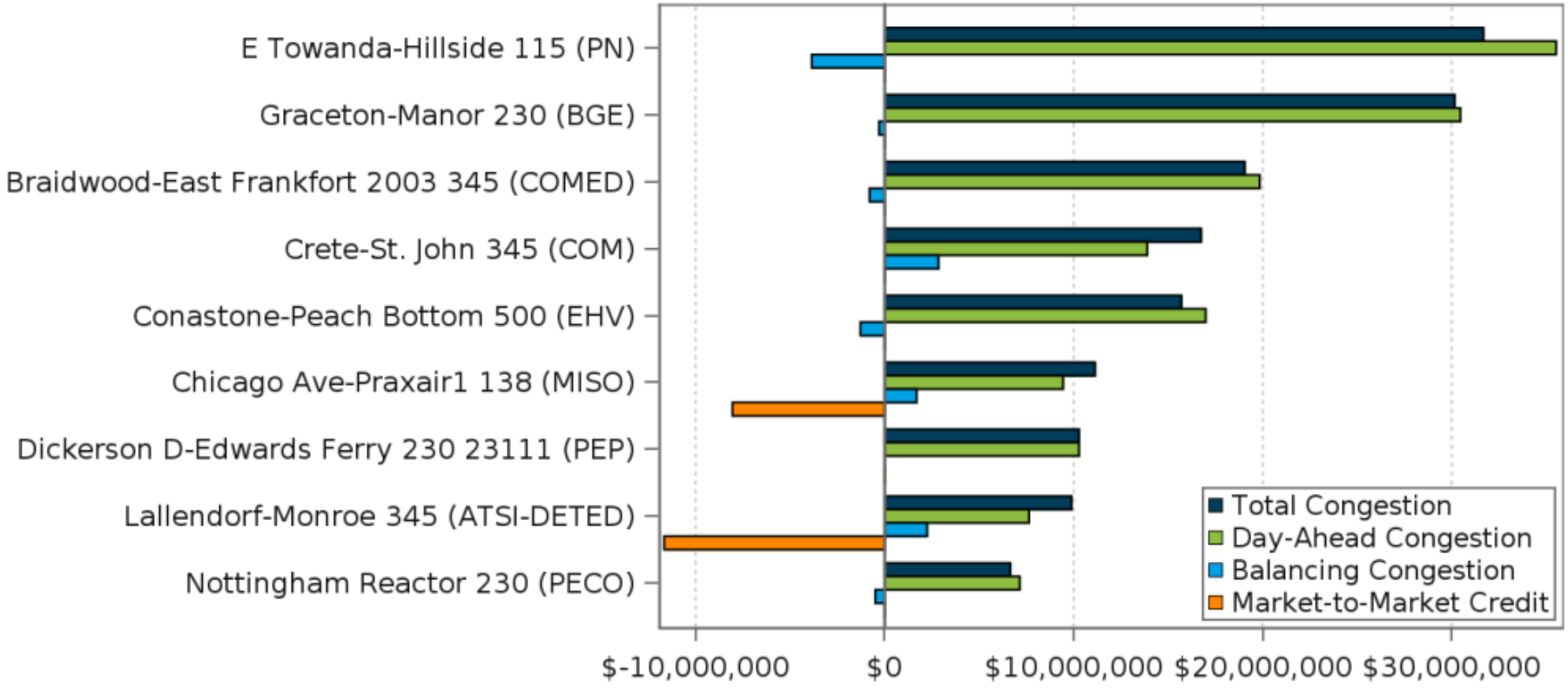
Ten Most Heavily Congested Transmission Facilities - Overall, September



The ten most heavily congested facilities account for 87% of total congestion for September.

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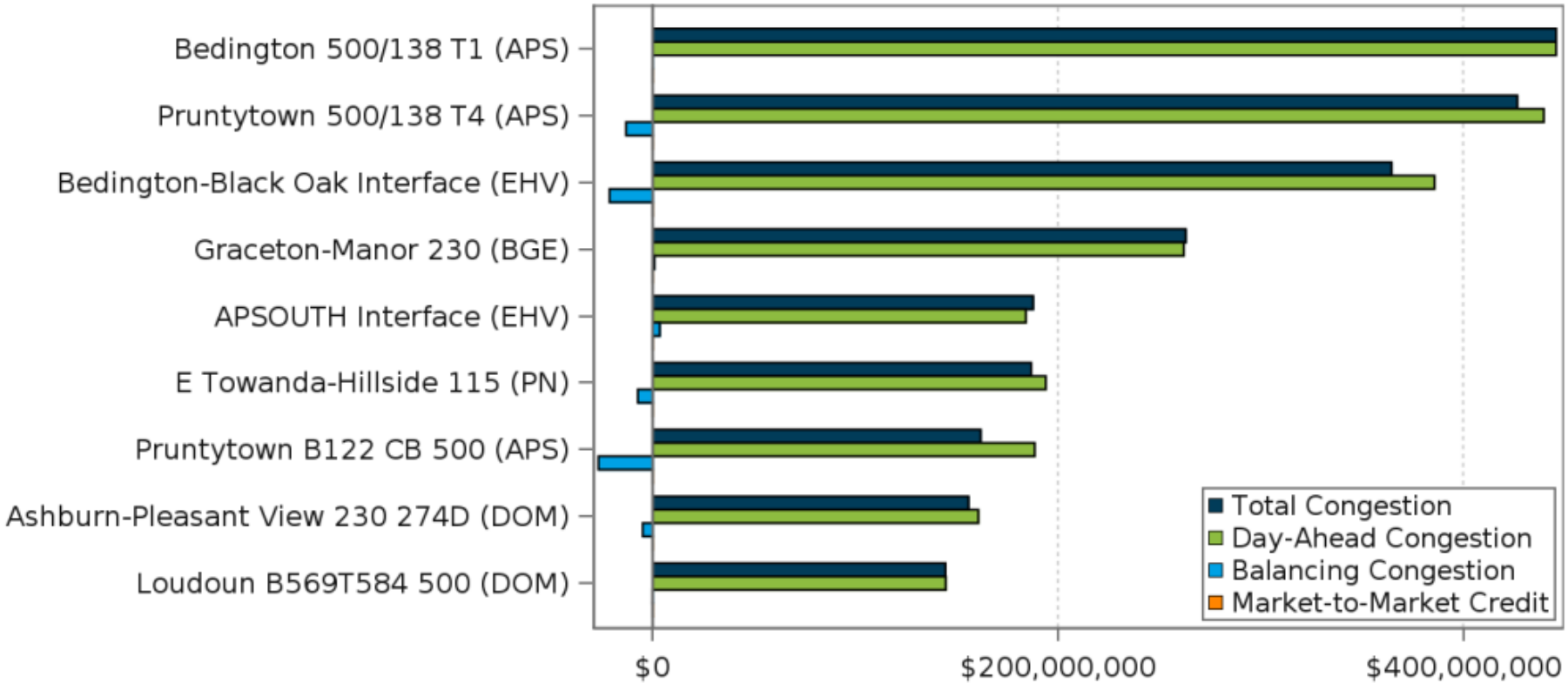
Ten Most Heavily Congested Transmission Facilities - Overall, 2026



The ten most heavily congested facilities account for 65% of total congestion for 2026.

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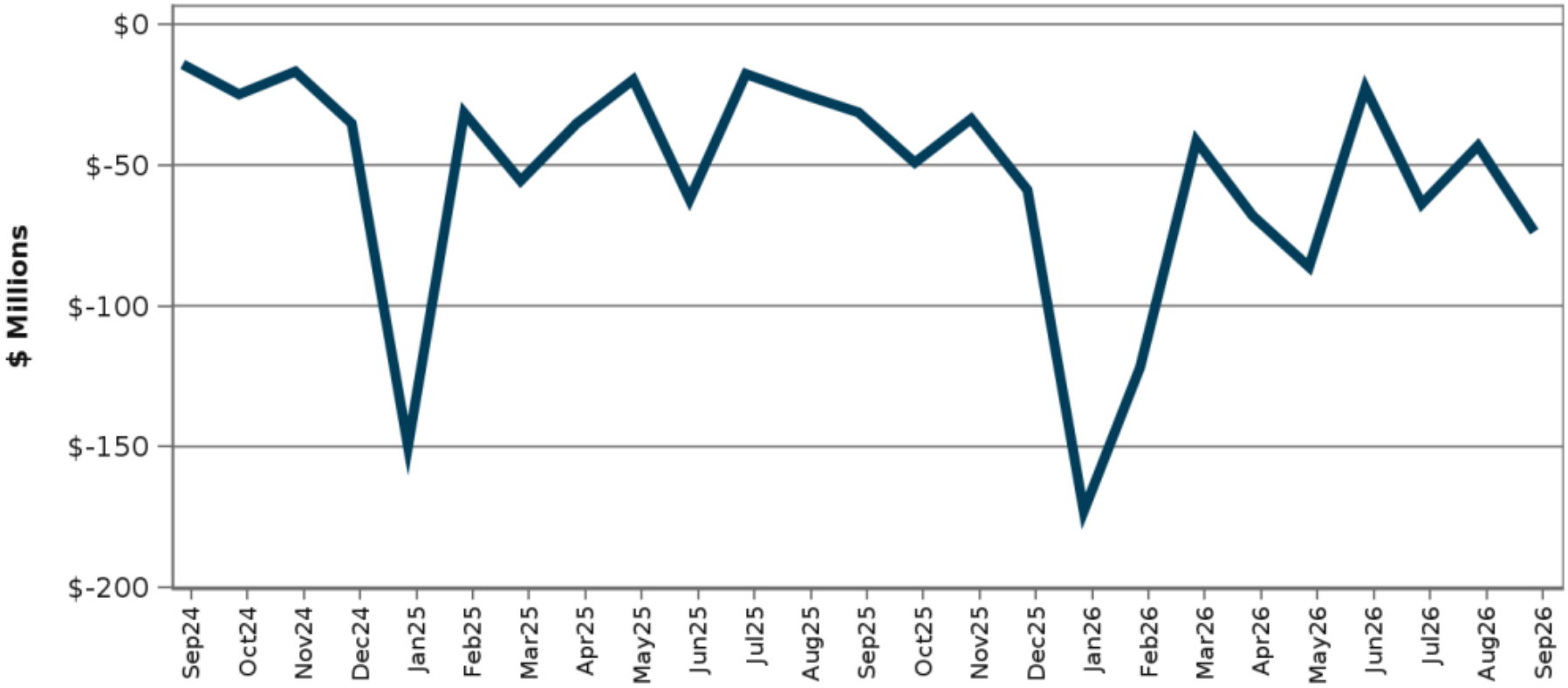
Balancing Congestion Charge Revenues (BLI 2215)



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Energy Market

Interchange/Seams Summary

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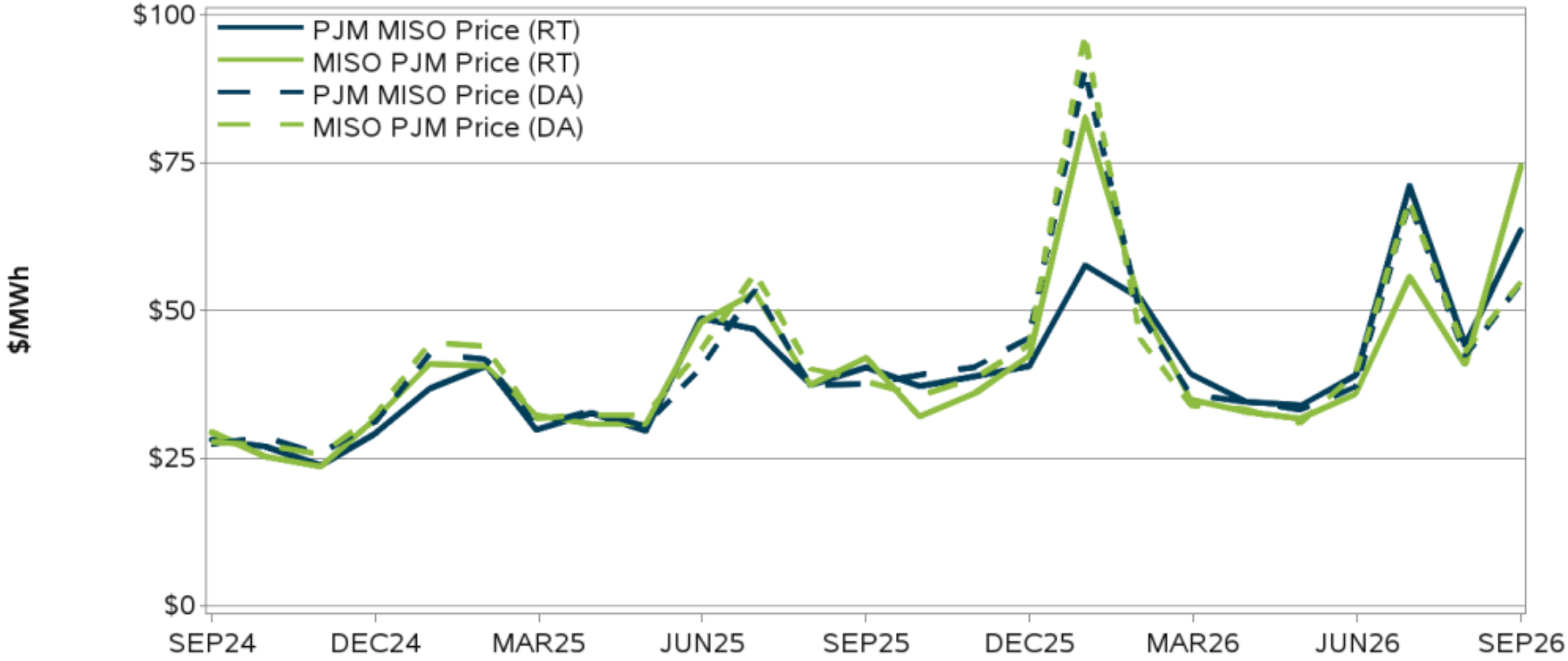
Monthly Average MISO Interface Pricing



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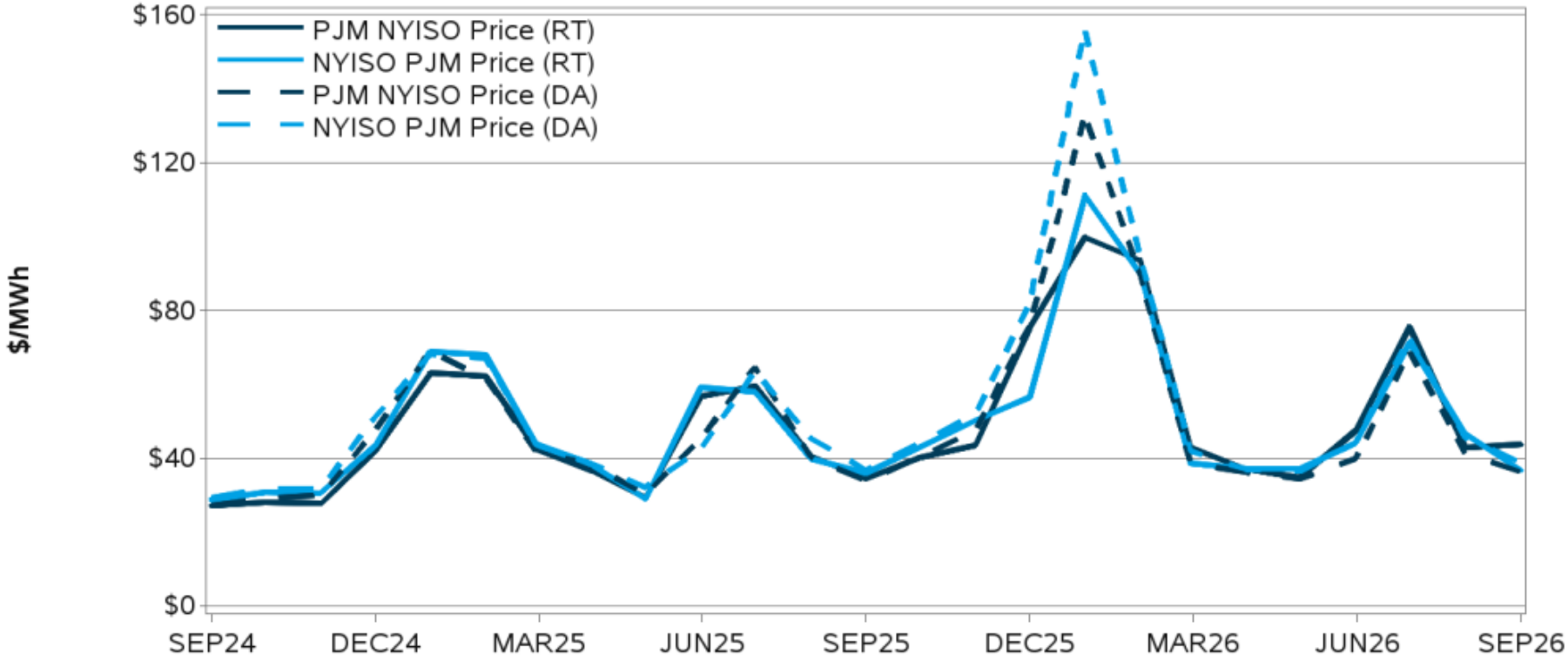
Monthly Average NYISO Interface Pricing



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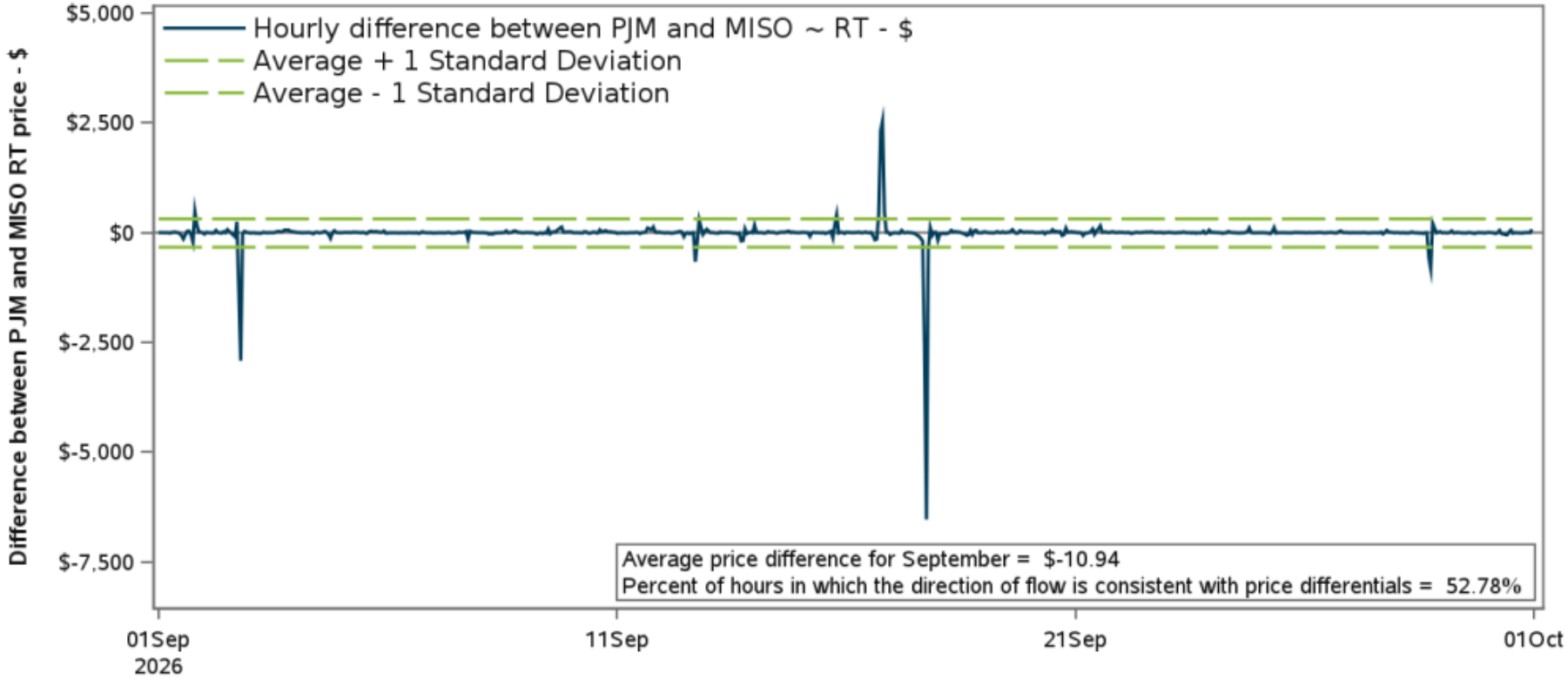
Hourly Difference Between PJM and MISO Real-Time Prices



Positive values represent hours when the PJM price was higher. Negative values represent hours when the PJM price was lower.

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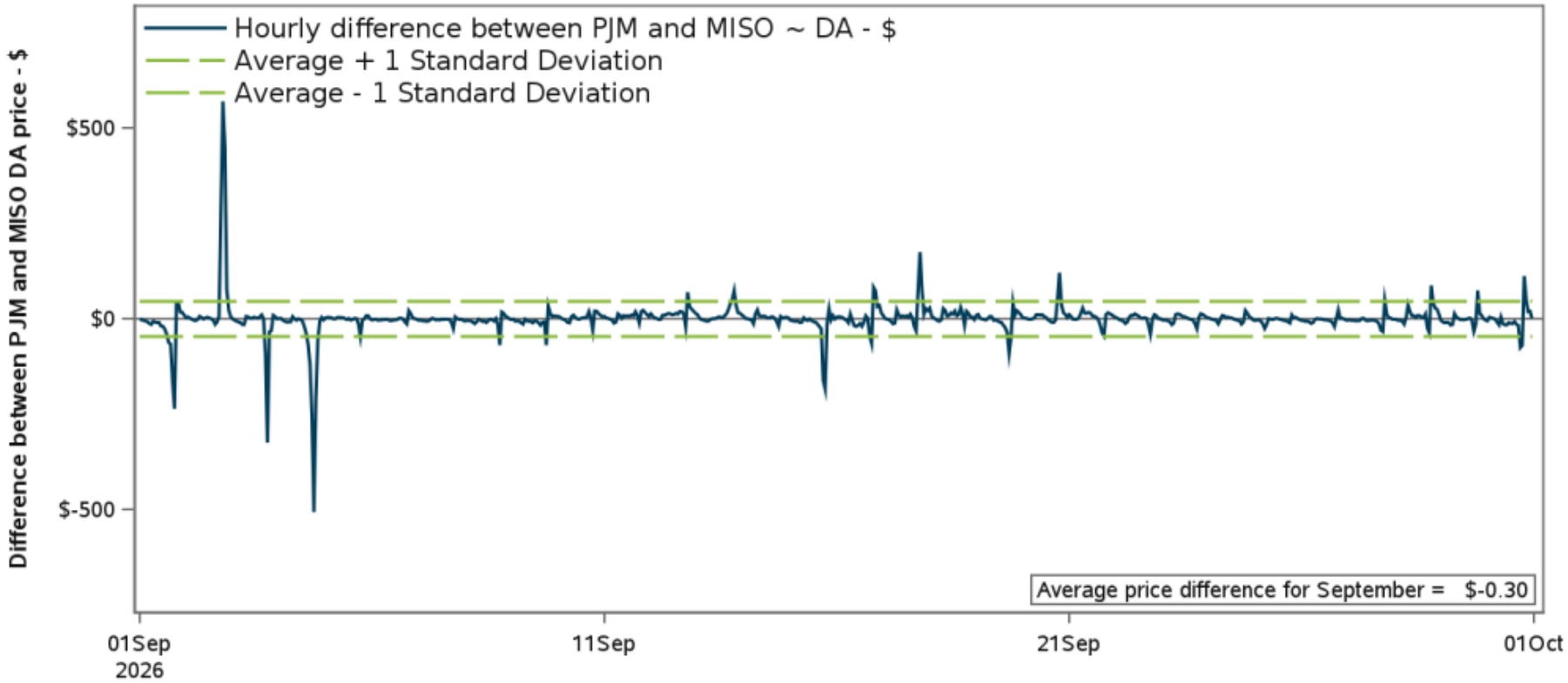
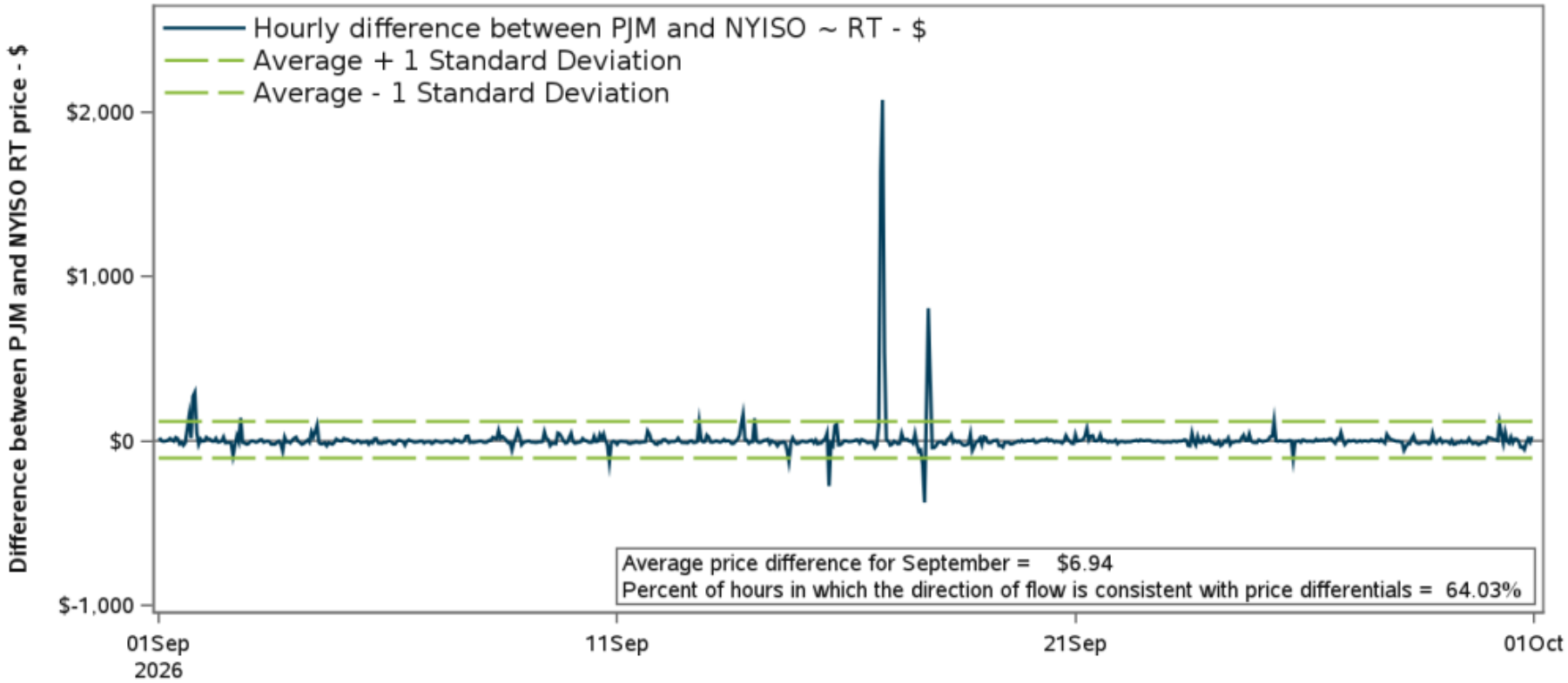
Hourly Difference Between PJM and MISO Day-Ahead Prices



Positive values represent hours when the PJM price was higher. Negative values represent hours when the PJM price was lower.

PJM © 2026

Hourly Difference Between PJM and NYISO Real-Time Prices



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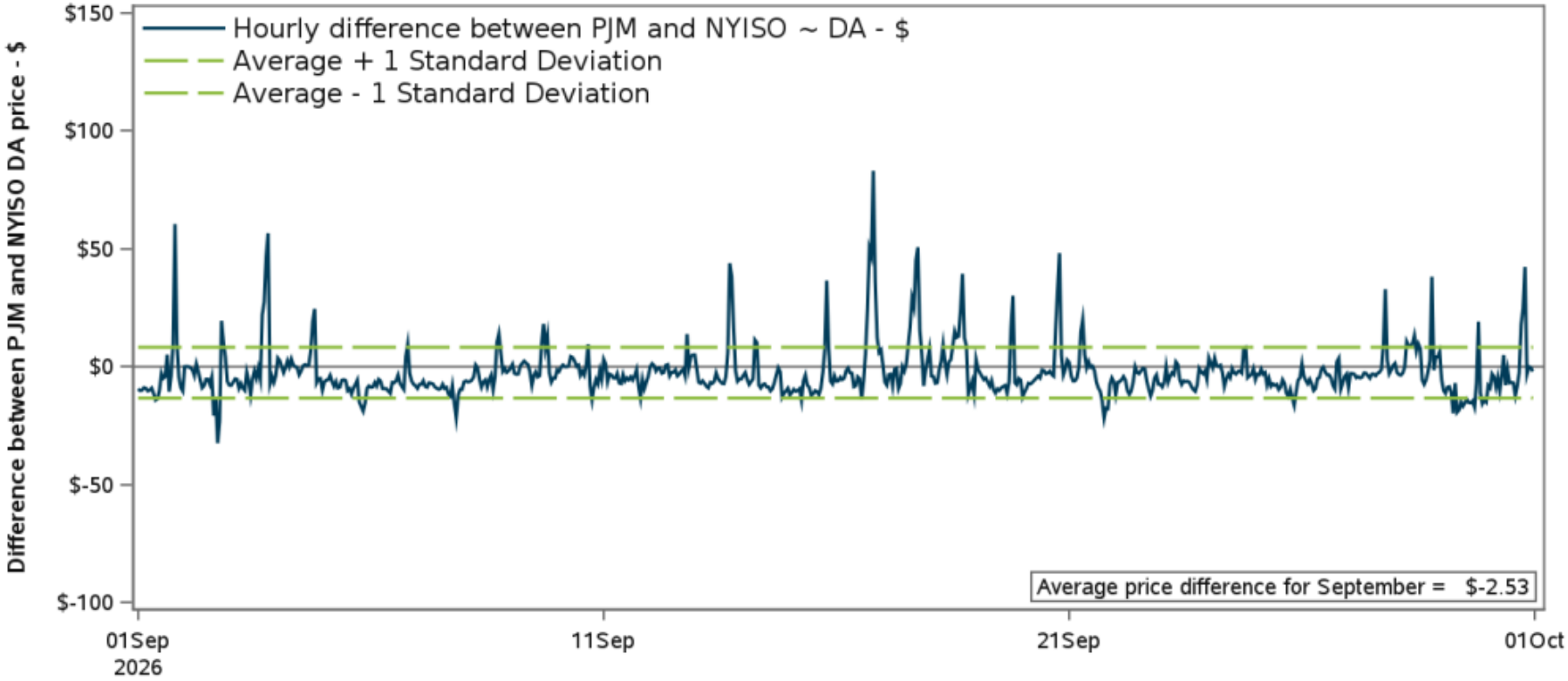
Hourly Difference Between PJM and NYISO Day-Ahead Prices



Positive values represent hours when the PJM price was higher. Negative values represent hours when the PJM price was lower.

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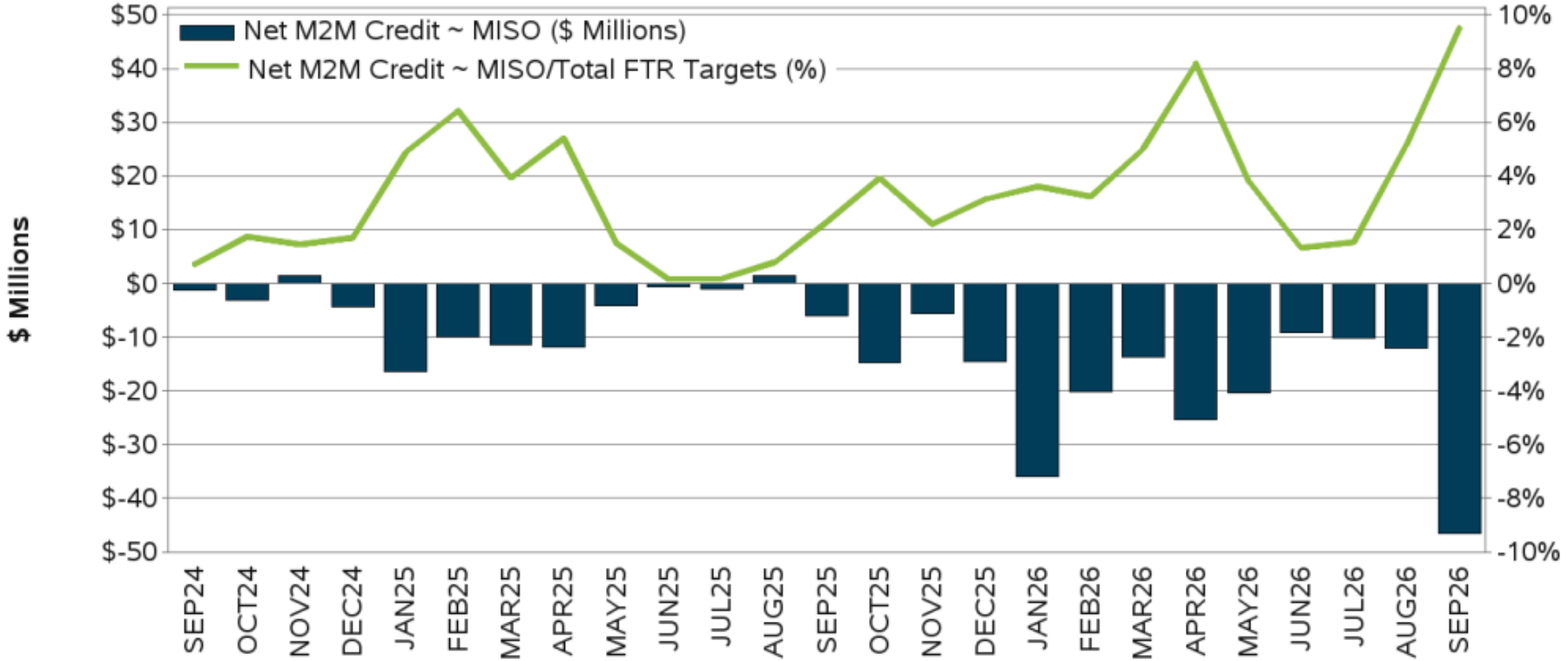
PJM-MISO Market-to-Market Coordination Settlement



Negative M2M Credit represents PJM payment to MISO

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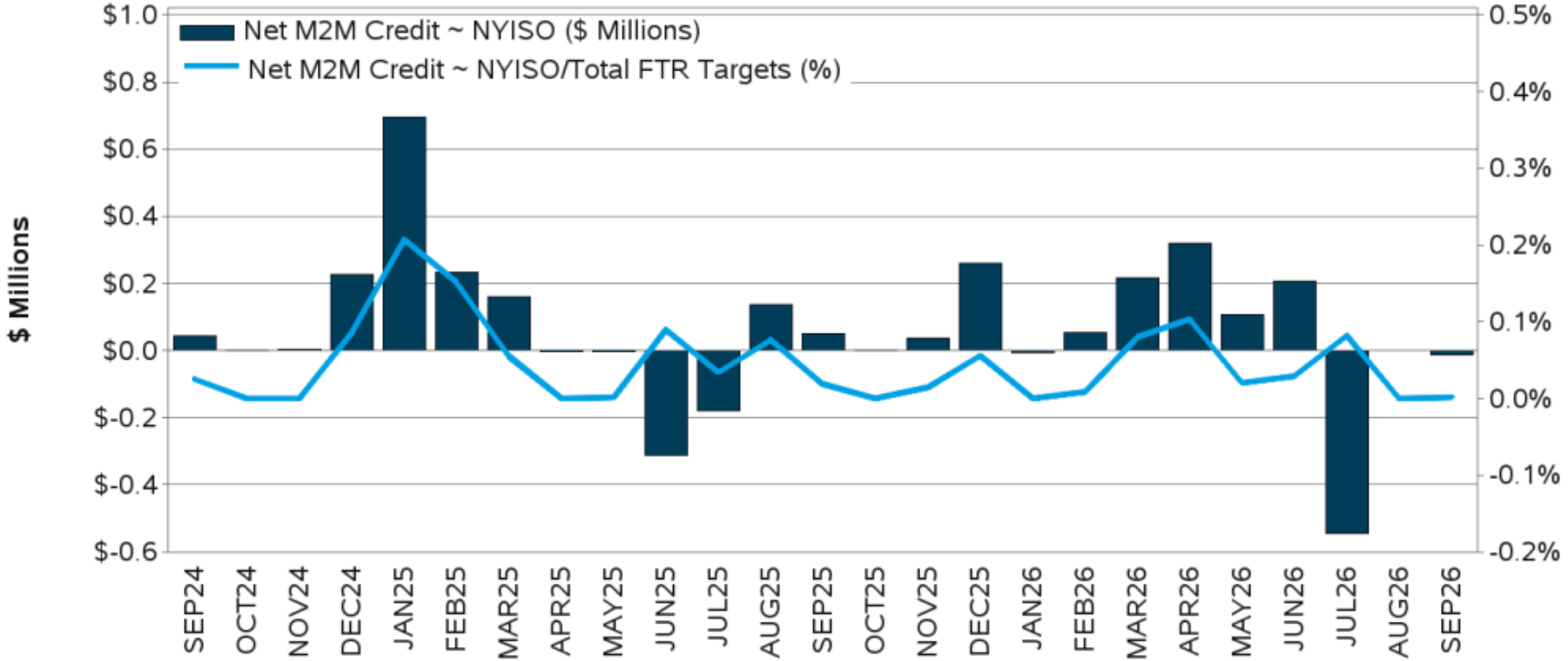
PJM-NYISO Market-to-Market Coordination Settlement



Negative M2M Credit represents PJM payment to NYISO

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Ancillary Service Market

Summary

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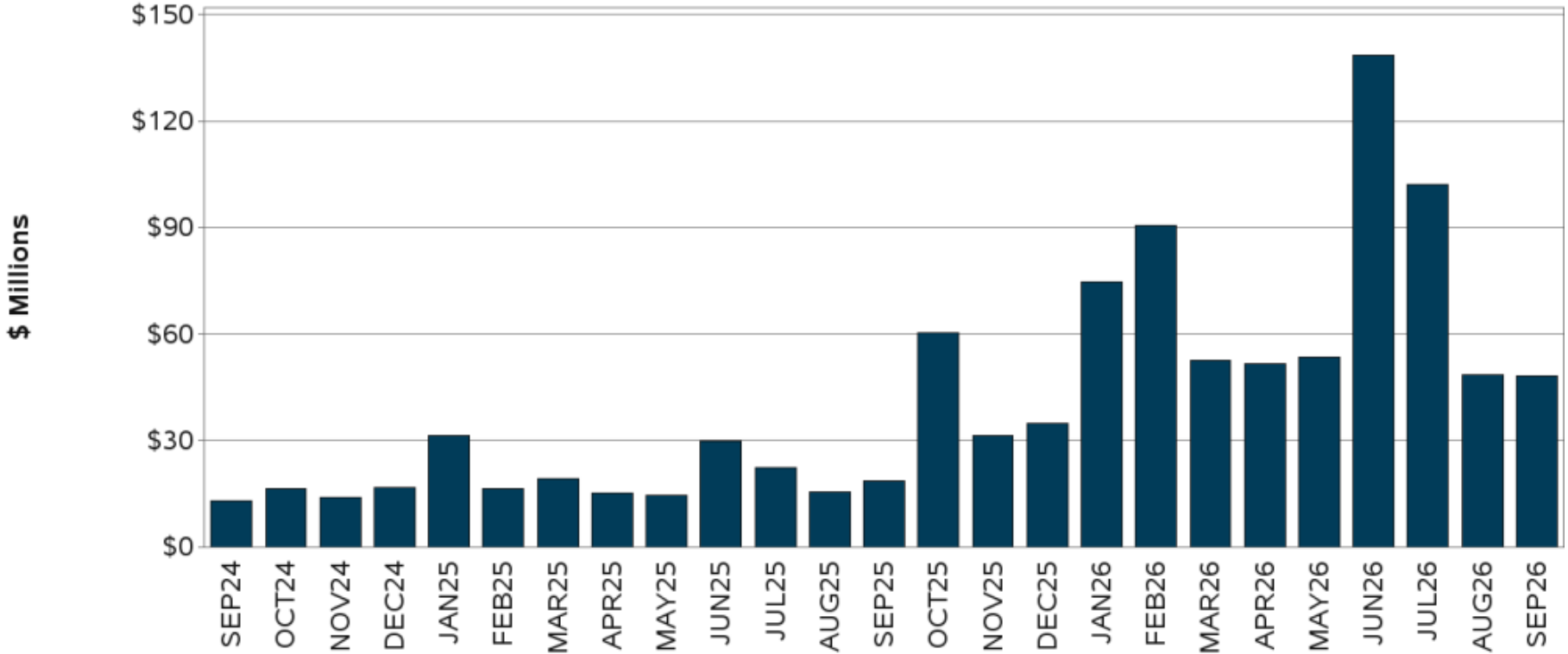
Regulation Costs



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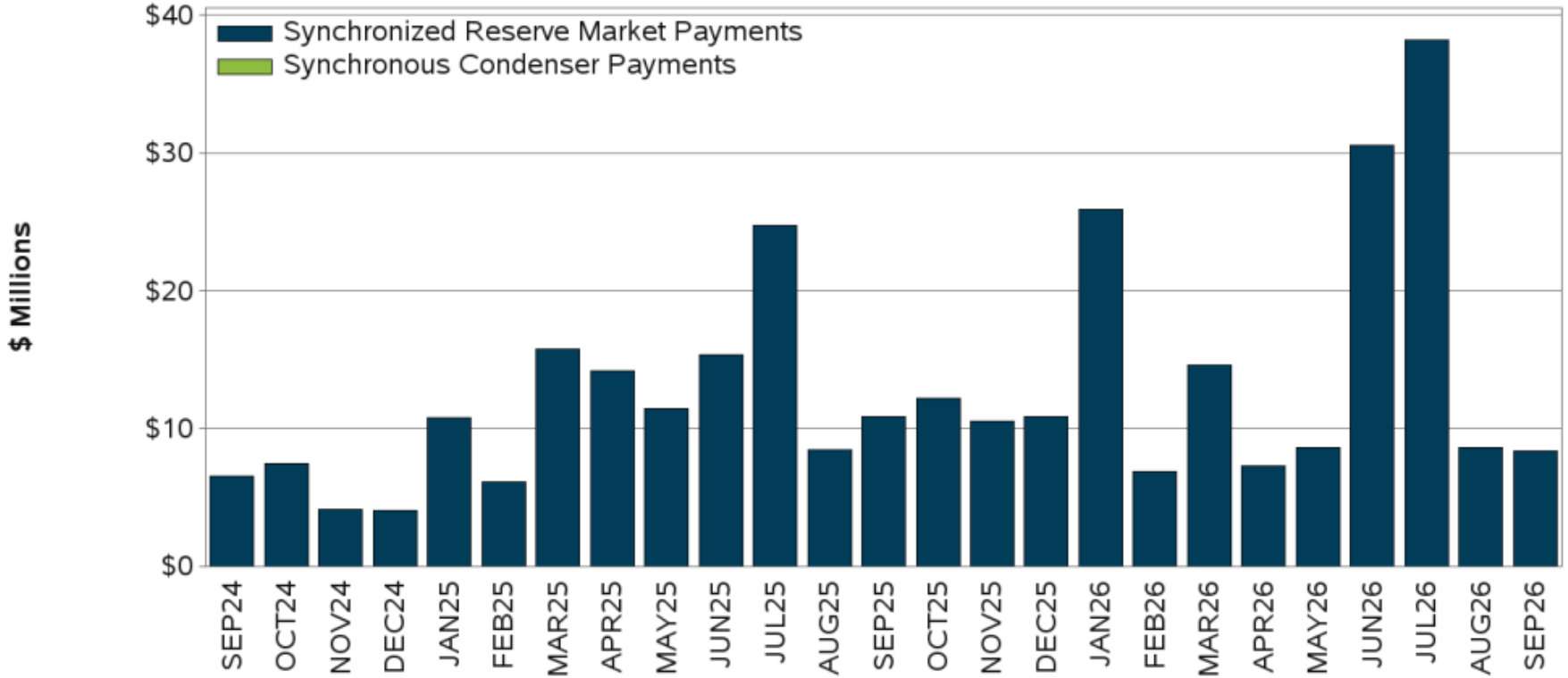
Synchronized Reserve and Synchronous Condenser Costs



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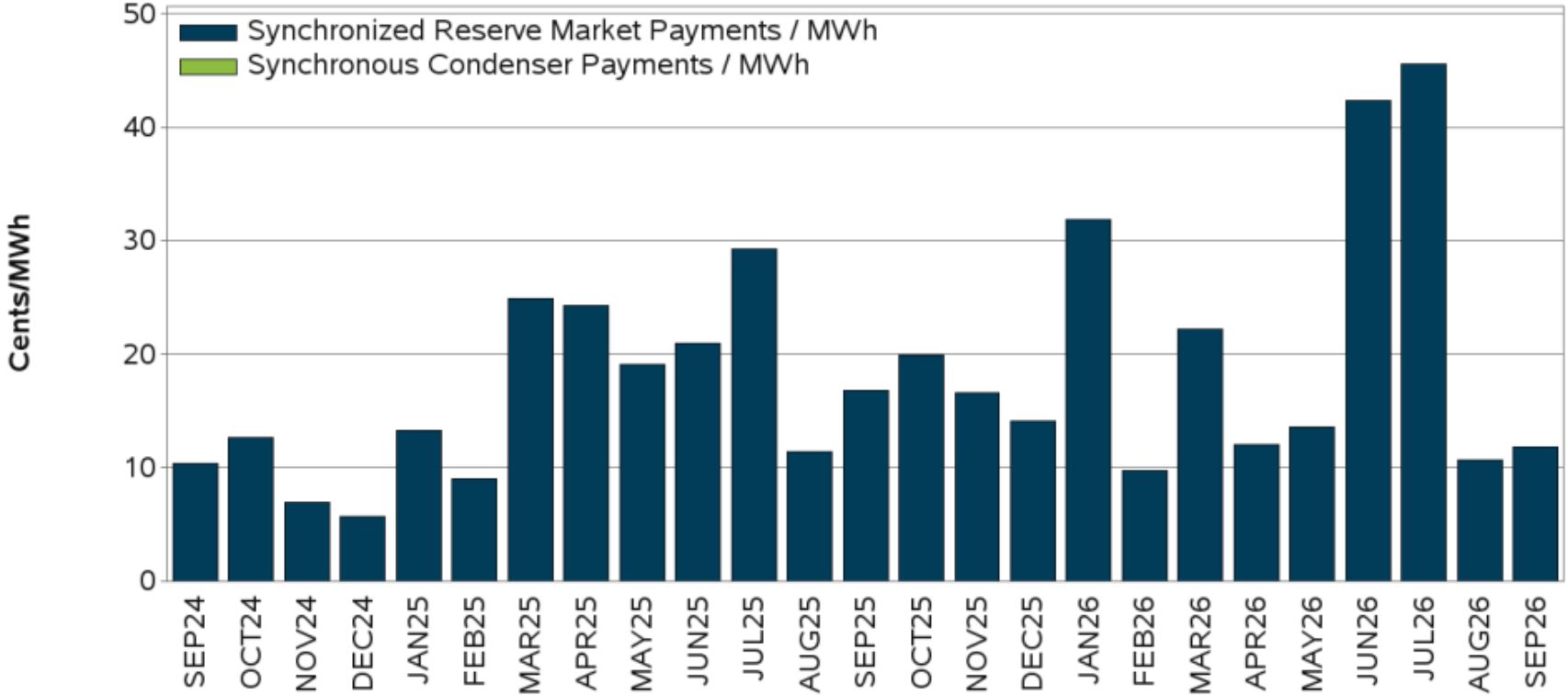
Load-Adjusted Synchronized Reserve and Synchronous Condenser Costs



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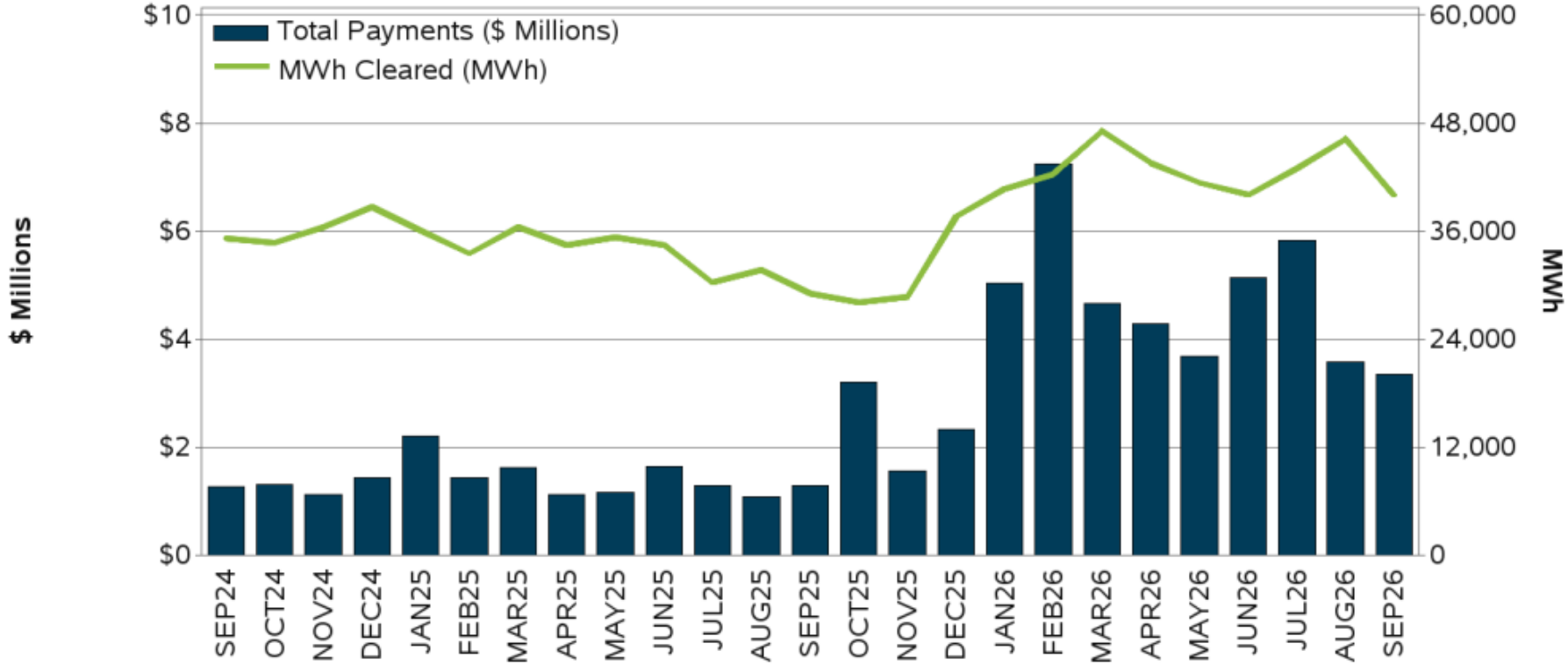
DR Participation in PJM Regulation Markets



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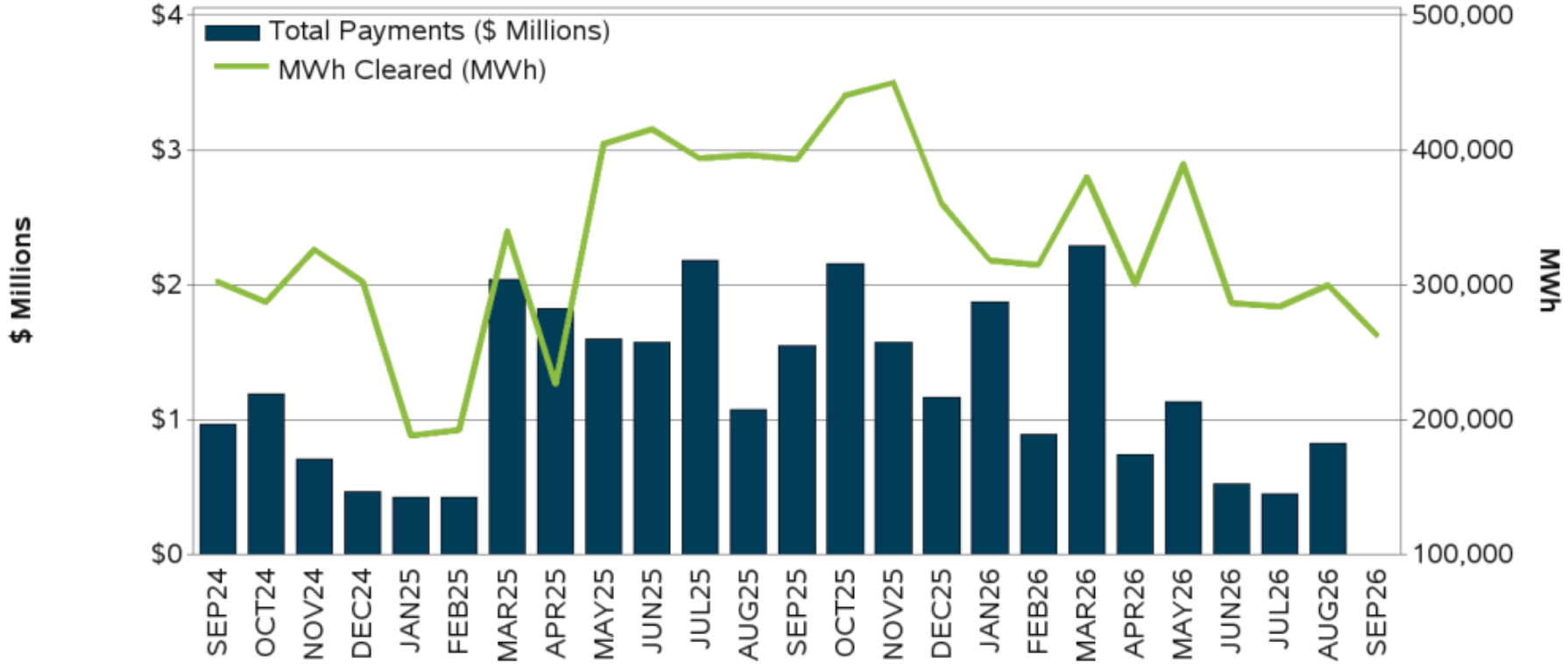
DR Participation in PJM Synchronized Reserve Markets



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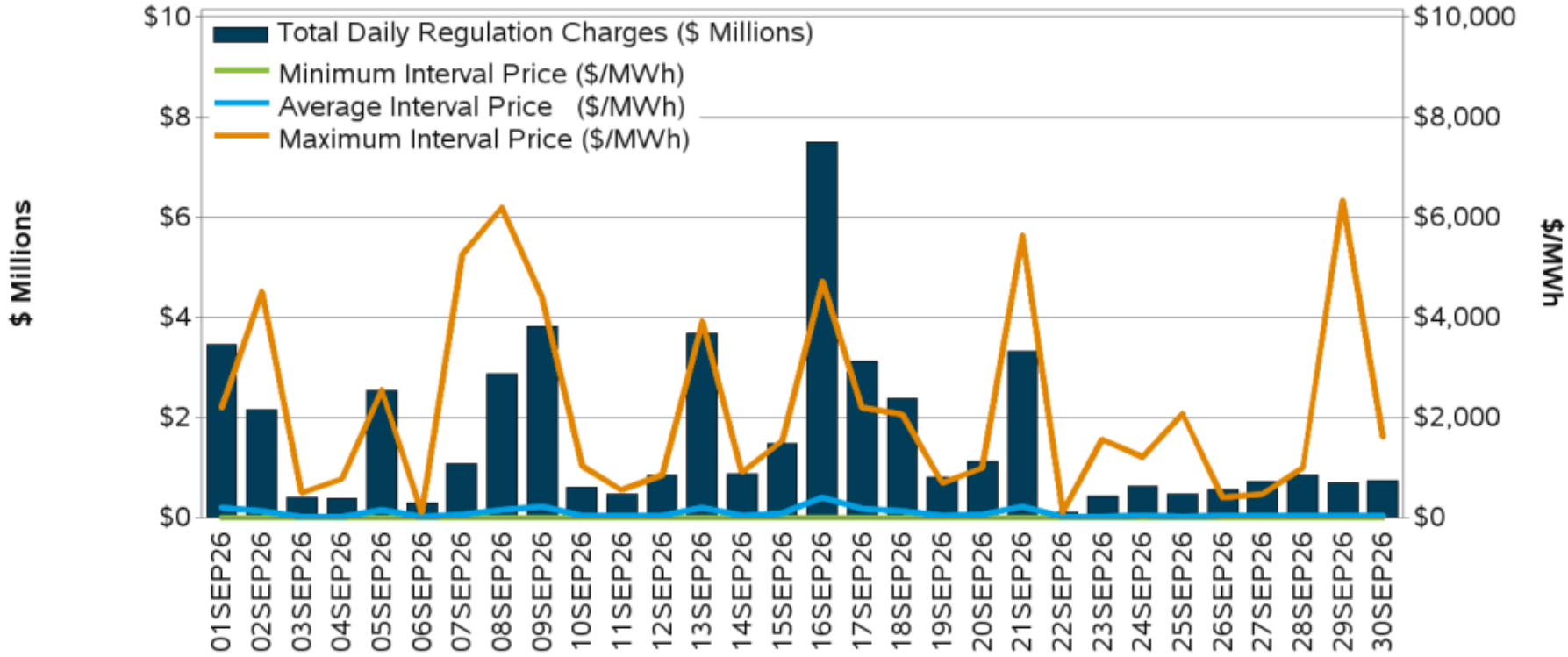
Regulation Market Daily Prices and Charges



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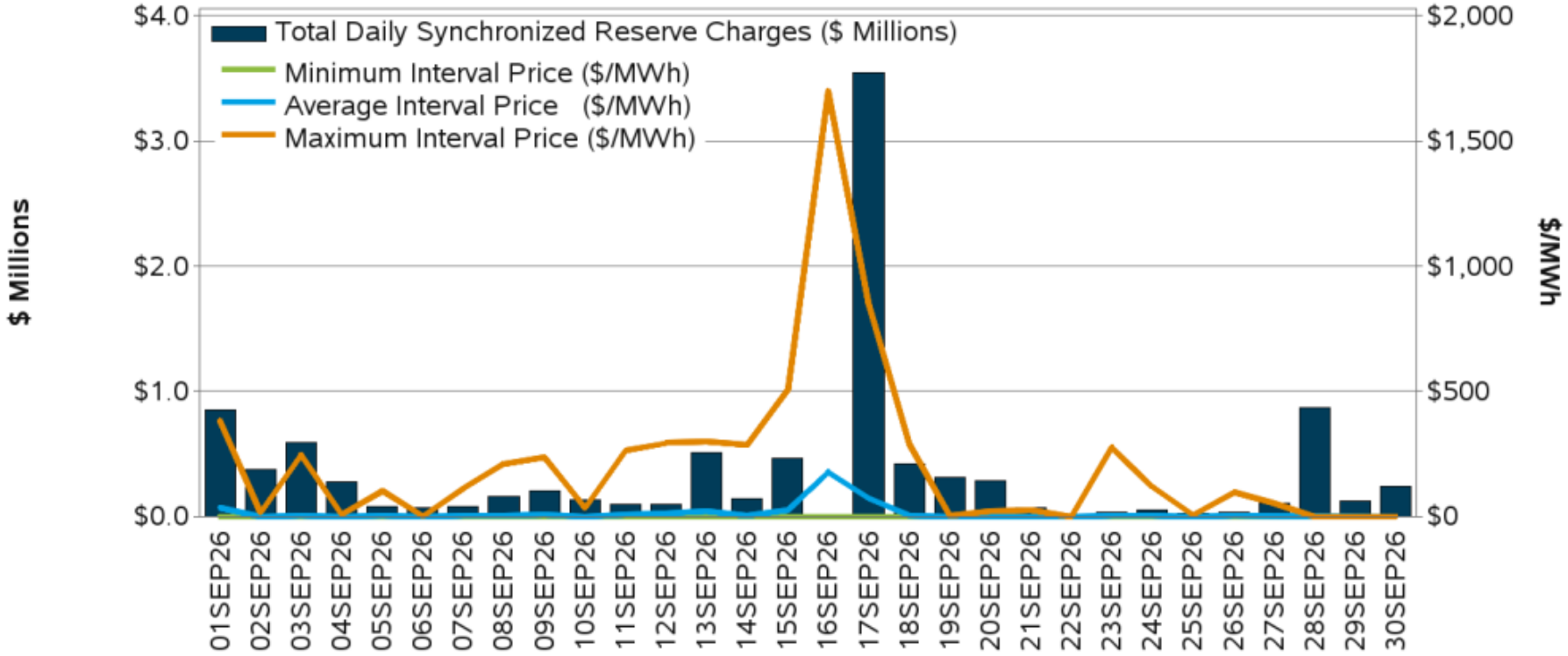
Synchronized Reserve Market Daily Prices and Charges



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