



Avoiding RMRs in PJM

Solution Package for Deactivation Enhancements Senior Task Force Scope Areas 4&5
Illinois Citizens Utility Board Presenting PJM Proposal

Markets & Reliability Committee

July 28, 2026

DESTF Process

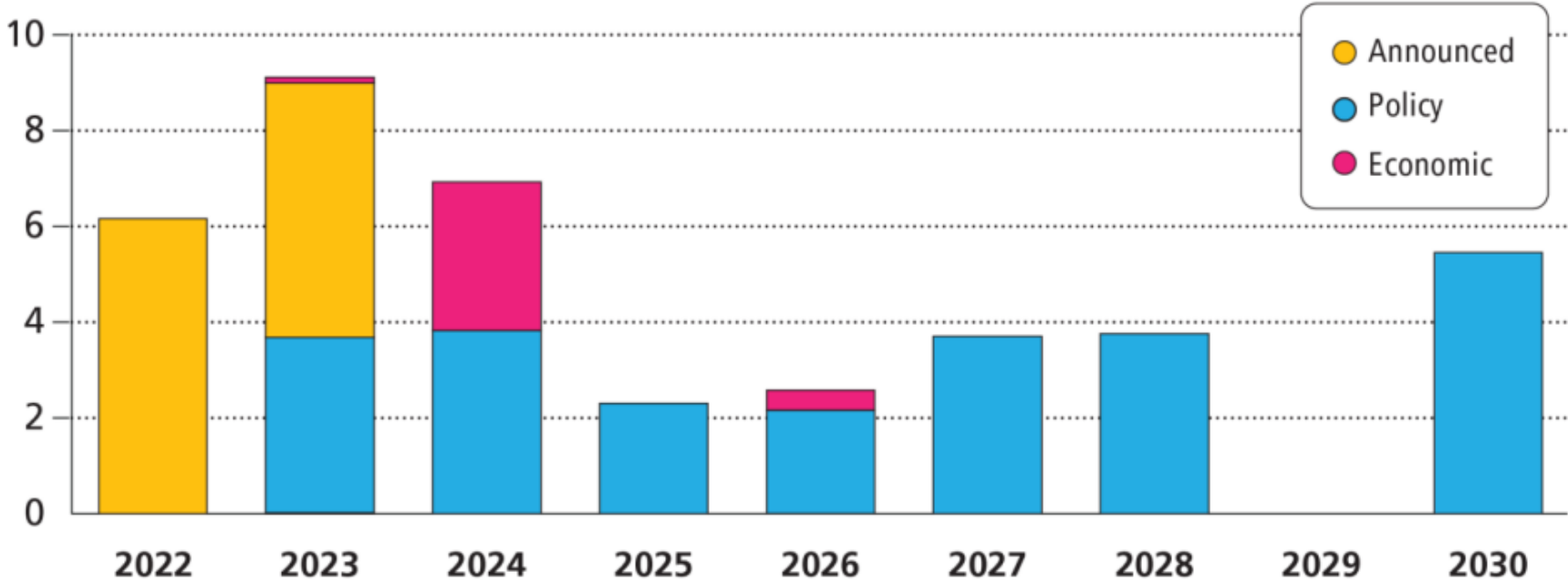


- Stakeholders overwhelmingly endorsed expansion of DESTF Issue Charge with Scope Areas 4&5 in July 2024
- 3 packages; PJM's was closest to passing (44% over status quo; 41% endorsed)
- **We are endorsing PJM's package.** It is worth having a result from this consensus-based process. PJM's package is a meaningful improvement on the status quo and gives states better tools.

Deactivations are coming; PJM and states need tools to prepare

Figure 1. Total Forecast Retirement by Year (2022–2030)

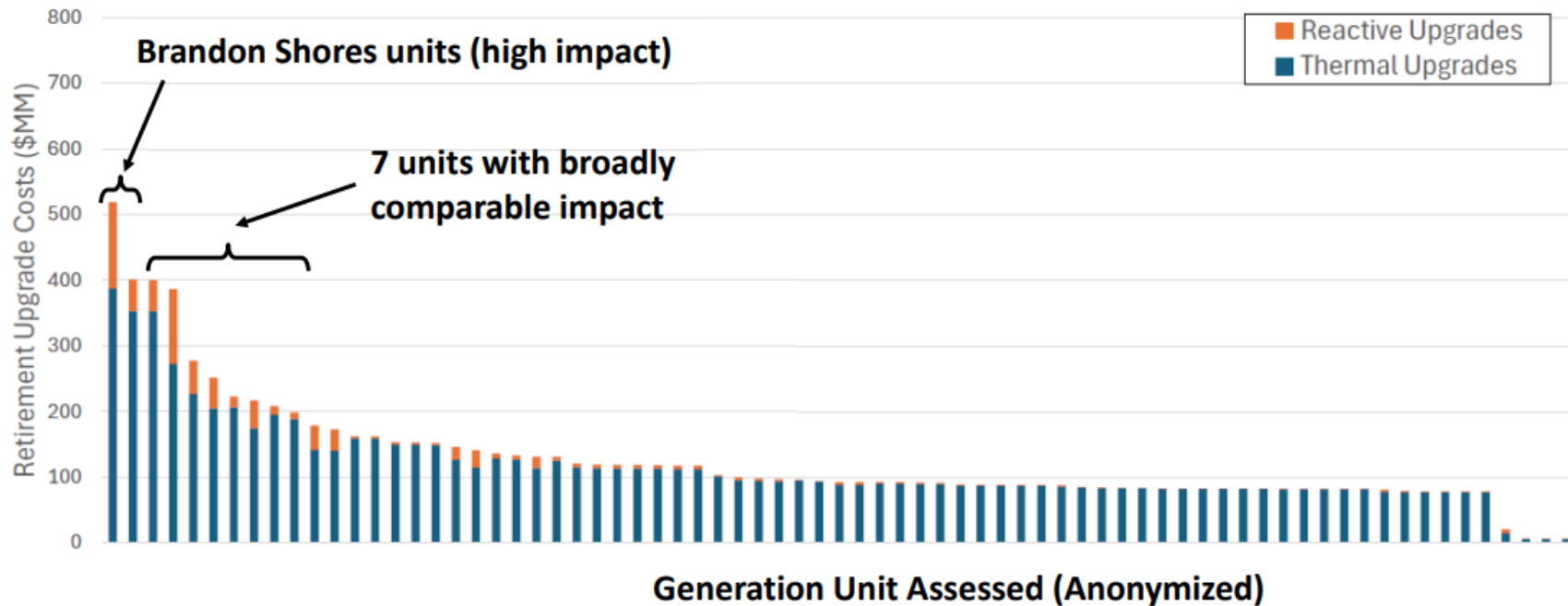
Retirement Capacity (GW ICAP)



Source: [PJM 4R report.](#)

Retirements with Major Impacts Likely Exist

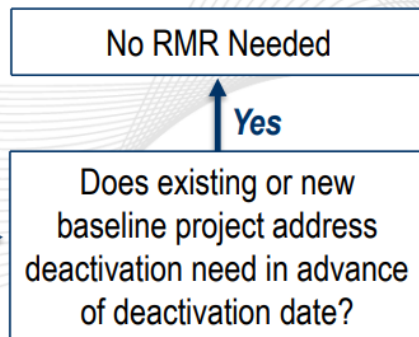
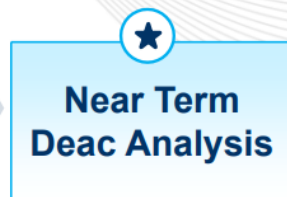
Potential Deactivation Impacts of Currently Operating Legacy Generators in PJM (Plus Brandon Shores)



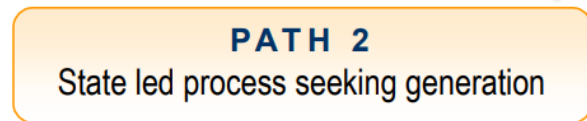
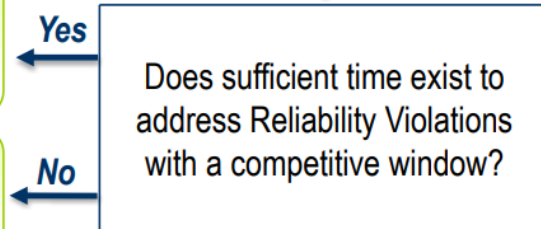
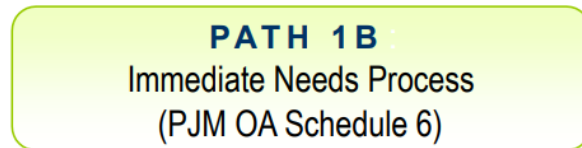
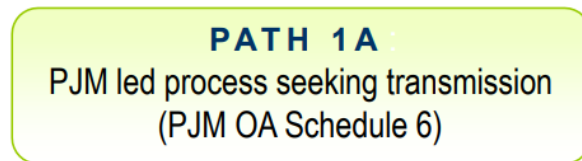
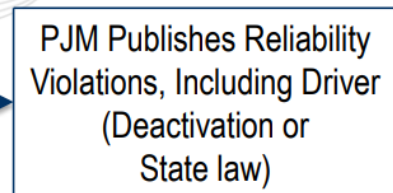
Source: Unpublished work commissioned by GridLab, first presented by [Brattle](#) on 2/12/2026



- State input on known retirements due to laws
- Announced retirements



PJM Proposal



All paths will require PJM to hold outgoing generation under RMR until selected PATH 1 or 2 solutions are in place.

New processes

Existing PJM Process



New processes



Existing PJM Process

PJM Proposal

- State input on known retirements due to laws
- Announced retirements

Near Term Deac Analysis

Does existing or new baseline project address deactivation need in advance of deactivation date?

Yes

No
RMR
Needed

No

PJM Publishes
Reliability Violations,
Including Driver
(Deactivation or
State law)

Does sufficient
time exist to
address Reliability
Violations with a
competitive
window?

Yes

PJM begins
Competitive
window solicitation

PJM evaluates
Tx proposals

PJM selects
cost-effective
solution

PJM Assigns cost-
effective solution
to proposing entity

No

PJM works
with incumbent
TO

PJM
evaluates Tx
proposals

PJM selects
cost-effective
solution

PJM Assigns cost-
effective solution
to proposing entity

PATH 1A (PJM OA Schedule 6)

PATH 1B (PJM OA Schedule 6)

PATH 2

State begins
optional generation
alternatives solicitation

State uses own process to procure generation
alternative. PJM provides technical support to
ensure alternative meets the reliability need

PJM and State
document process in
an SAA like
agreement

All paths will require PJM to
hold outgoing generation under
RMR until selected PATH 1 or 2
solutions are in place.

Formalized Assistance for States



This process will **give states more information** about legally-driven deactivations and **formalize the roles of PJM and states** who wish to solicit replacements.

- PJM deactivation analysis will help states design solicitation strategies to resolve risks caused by legally-driven retirements.
- State authority could conduct their own solicitation and clearly communicate timeline, milestones, etc.
- If requested, PJM will provide technical assistance evaluating resources that could resolve the identified reliability need as quickly as possible to meet state deadlines.
- CEII information will remain confidential.
- If state does not act, status quo solutions remain in place (immediate needs and RMR).

Benefits



- Allows states and PJM to get ahead of reliability issues due to state law deactivations, avoiding contentious and expensive RMRs.
- Improves certainty for planning by relying on known deactivations and state laws, not speculative ones.
- Allows states to most effectively use their own procurement processes.
- Workable with PJM's existing rules.

Questions?



Contact:

Clara Summers, Citizens Utility Board of Illinois, csummers@citizensutilityboard.org