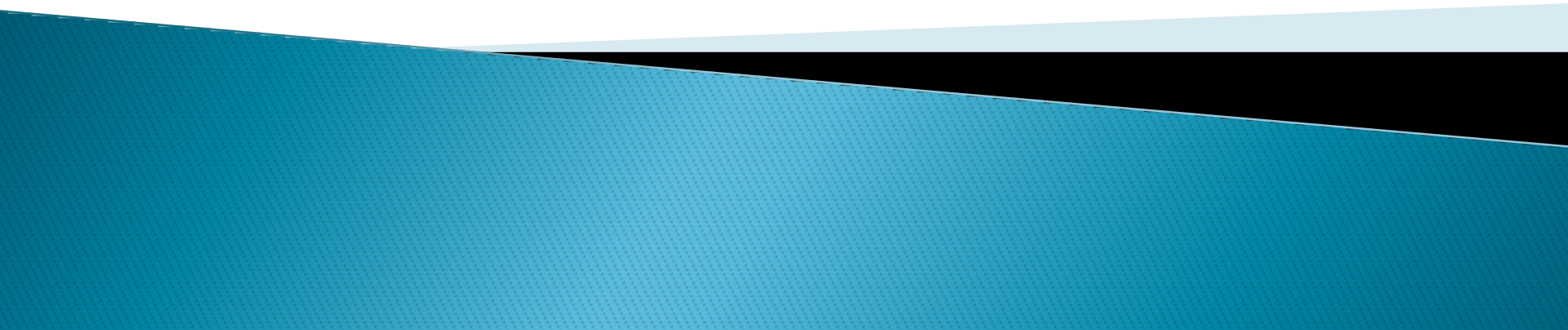


PIEOUG Discussion:

Part 2 – Evaluation of Stakeholder Voting Patterns

July 30, 2026



PJM's Stakeholder (Decision-Making) Process

The stakeholder process, which relies on Consensus Based Issue Resolution (CBIR), is a structured problem-solving and decision-making method that ensures all stakeholders have an opportunity to collaborate on a solution. In addition to identifying interests and designing solutions, the CBIR process supports time for education, which is important to ensure a level playing field and common understanding among stakeholders.

Once stakeholders have had the opportunity to provide feedback and suggest solutions, the process of building consensus begins. The goal is to identify the solution, or combination of solutions, that best addresses the issue charge and problem statement, while striving to meet the interests of all stakeholders.

Stakeholder Process Uses Structured Problem Solving

Residential Consumers Impact in PJM Voting

Senior level voting –

- } Sector weighted voting
- } There are five sectors and the consumer advocates are in the End Use Customer (EUC) sector.
- } The EUC= 37 Voting members + consumer advocate (ex officio) entities
- } Consumer advocate share is a little less than 38% of the EUC sector
- } Consumer advocate share of the PJM Member Sector Weighted voting is 7.6%
- } Supply versus load
 - Supply = 60% of the vote (Generation Owner, Transmission Owner, and Other Supplier Sectors)
 - Load (End Use Customer and Electric Distributor sectors*) = 40% of the vote

Load entities do not have enough votes to have an item discussed - 50% issue charge threshold – without support from supply entities.

Lower level voting

- } Includes affiliates
- } 1054 PJM members
 - 508 voting members
 - 532 affiliate members
 - 14 ex officio members
- } Consumer advocate offices make up the ex officio members
- } Consumer advocate share of the of PJM members is 1.3% (14 of 1054)
- } End Use Customer share of the PJM members is 3.7% (40 of 1054)
- } **EUC and Public Power (aka “load”) share of the PJM members is 8.2% (87 of 1054)**

Residential Consumer Impact on PJM Votes: The Following PJM Voting Members (Including their Affiliates) have More Votes than Consumers

- } West Deptford Energy (LS Power) **GO** – 26 votes
- } NRG Business Marketing **GO** – 23 votes
- } Appalachian Power Company (AEP) **TO** - 23 votes
- } EDP Renewables **GO** – 23 votes
- } BP Energy Co **OS** – 21 votes
- } Invenergy **GO** – 19 votes
- } Monongahela Power Company (FirstEnergy) **TO** – 15 votes
- } Dynegy **GO** – 15 votes
- } Brookfield **OS** – 15

State Appointed Consumer Advocate offices– 14 votes

9 top entities make up 180 votes or 17% of the overall member votes at the affiliate level.
(Top 5 GO/OS Members have 112 votes – almost 11% of the vote.)

Is that level of concentration a concern?

The stakeholder process is designed to achieve consensus. Consensus of what?

Situation One: Market Power Concerns

Deactivation Enhancement Sr. Task Force (DESTF)

} DESTF Voting on Scope Areas 4/5 (June, 2026)

◦ **PJM Proposal**

- ☐ Yes votes: 60
- ☐ No votes: 88
- ☐ Abstentions: 11
- ☐ Total votes: 159

Coalition Proposal

- Yes votes: 24
- No votes: 123
- Abstentions: 13
- Total votes: 160

PJM Package: 159 total votes – including 11 abstentions.

- } 15% of the membership voted on this item;
- } 88 “no” votes could be four (supply) entities; and
- } If every “load” member voted (87), they could be out voted by the top four supply entities.
- } How does the significant supply entity market power impact consensus building?

*All the proposals were voted down at the DESTF level. However, the PJM proposal was re-introduced at the MRC with Sector Weighted Voting and passed on July 28, 2026.

Situation two: Market Power concerns

Reserve Certainty Sr. Task Force (RCSTF)

Committee: Reserve Certainty Senior Task Force

Meeting Id: 9680

Meeting Date: 06/25/2026

Question	Yes Count	No Count	Abstentions	Tally	Pass/Fail
Do you endorse Package A?	119	62	2	0.657	PASS
Do you prefer Package A over the status quo?	125	37	21	0.772	PASS
Do you endorse Package B.1?	40	142	1	0.22	FAIL
Do you prefer Package B.1 over the status quo?	46	135	2	0.254	FAIL
Do you endorse Package B.2?	21	161	1	0.115	FAIL
Do you prefer Package B.2 over the status quo?	25	154	4	0.14	FAIL
Do you endorse Package B.3?	20	161	2	0.11	FAIL
Do you prefer Package B.3 over the status quo?	24	155	4	0.134	FAIL
Do you endorse Package C?	80	100	3	0.444	FAIL
Do you prefer Package C over the status quo?	100	78	5	0.562	PASS

Package A (PJM): 183 total votes – including 2 abstentions.

- 17% of the membership voted on this item;
- 119 “yes” votes could be six (supply) entities; and
- If every “load” member voted (87) load entities could not defeat this proposal

Package C (AMP) with 80 “yes” votes, the four largest supply entities could block this proposal by this “load” member.

What impact does this level of supply market power have on building consensus?

PJM Special MC Advisory Voting on CIFP RBP and CAM (June 30, 2026)

- } PJM C&M Proposal – Failed Sector Weighting (1.772)
 - EUC sector 17 voters (51% of sector) – 0 support
 - TO sector 10 voters (83%) – 2 support
 - GO sector 17 voters (15.3%) – 11 support ***14 yes/no voters**
 - ED sector 20 voters (44%) – 1 support
 - OS sector 15 voters (4.6%) – 8 support ***11 yes/no voters**
 - Total 79 voters out of 526 eligible members (15%)
- } Joint EDC C&M Proposal – Failed Sector Weighting (2.653)
 - EUC sector 17 voters (51%) – 9 supported
 - TO sector 10 voters (83%) - 9 supported
 - GO sector 17 voters (15.5%) – 3 supported ***12 yes/no voters**
 - ED sector 20 voters (44%) - 9 supported
 - OS sector 15 voters (4.6%) – 5 supported ***10 yes/no voters**
 - Total 79 voters out of 526 eligible members (15%)
- } Conclusions?
 - Transmission Owner Members and Other Supplier Members that voted had the most influence.
 - No state votes were included and only one data center has a vote (Amazon – Other Supplier Sector)

PJM Stakeholder Process

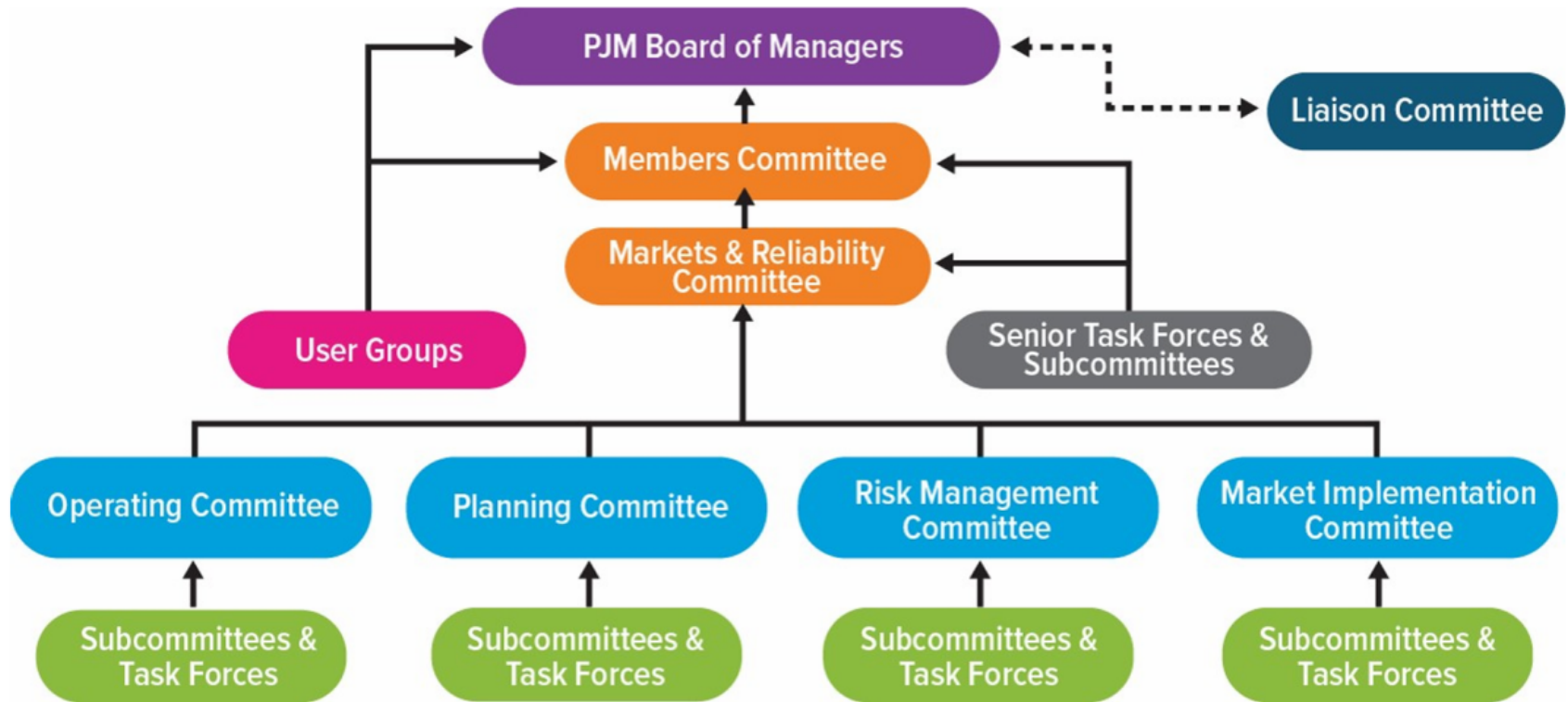


Exhibit 1: PJM Stakeholder Process Structure

Standing Committee Voting Trends

} Planning Committee

- The last affiliate vote was October, 2024 (275 voters)
- The committee is averaging about 14 voting items a year and most are periodic reviews or conforming changes

} Operating Committee

- Almost three years with only acclamation votes (June, 2023 – April 2026) *two affiliate voting items on 4/26!
- Between 111(2026)-195 (2023) voters on recent matters
- The committee is averaging about 16 voting items per year over the last couple of years and most are periodic reviews.

} Market Implementation Committee

- Between 5-7 affiliate votes per year.
- Between 201-311 voters each affiliate vote.

} Does the limited amount of affiliate voting items in the PC and OC over the last few years raises any concerns for you?

The Proliferation of “Workshops”

5.6 Workshops

Workshops may be established by PJM to provide a series of meetings to engage in education, foster dialogue, share ideas and gather stakeholder feedback related to emerging topics and objectives as outlined in its initial communication and meeting. Workshops are non-decisional meetings and will not develop rule changes. They may provide periodic informational reporting to other Committees and Groups as appropriate. To the extent that a Workshop discussion leads to the need for an Issue Charge, a stakeholder may bring such Issue Charge to a Standing Committee or Senior Standing Committee, as appropriate, for review and approval. Workshops are non-voting and shall not be utilized to replace or circumvent the stakeholder processes or rules as defined in Manual 34 (e.g. CBIR). Workshops may utilize polling tools as a means to gather stakeholder feedback.

<https://www.pjm.com/-/media/DotCom/documents/manuals/m34.pdf>

The Proliferation of “Workshops”

- } Long-Term Regional Transmission Planning
 - 5 workshops
 - July – December, 2023
- } Co-located Load Order
 - 10 workshops
 - January – present, 2026
- } Large Load Additions
 - 1 (May 9, 2025)
- } Reliability Backstop Procurement
 - 7 workshops
 - February – March, 2026
- } Powering Reliability Through Market Design
 - 3 workshops
 - June – present, 2026

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