Stakeholder Feedback on Reliability Backstop Procurement Survey Responses

Question 1	
Company Name	**Provide any feedback on the goals and principles for designing the Reliability Backstop process.**
1. Maryland Office of People's Counsel	Provide any feedback on the goals and principles for designing the Reliability Backstop process. PJM's goals and principles for designing the backstop procurement should align with the "Statement of Principles Regarding PJM" put forth by the National Energy Dominance Council within the White House and the Governors of thirteen PJM states ("White House and Governors Letter"). Those principles, as also summarized on Slide 4 of PJM's February 6, 2025, presentation, include: -Provide revenue certainty to new generation; -Protect residential customers from capacity price increases; -Allocate costs to data centers; -Improve load forecasting; -Accelerate ongoing generator interconnection studies; -Return PJM to market fundamentals; and -Governor's agree to use their authorities to allocate costs to data centers and protect residential customers. PJM's representation of the "Goals for a Reliability Backstop Process" (Slide 5-7) and "Principles for Reliability Backstop" (Slide 7) crucially omit several elements from the White House and Governors Letter. Most critical of those omissions is the absence of an explicit goal to "Protect Residential Customers." This goal can only be met through a backstop procurement that assigns stranded cost risk to AI Data Centers and allocates all backstop procurement costs to AI Data Centers. Any backstop procurement process or design that does not accomplish this goal is contrary to the White House and Governors Letter. Additionally, PJM's list of principles omits three important provisions contained within the White House and Governors Letter: 1.Resources procured must be new. The White House and Governors Letter indicates that PJM should hold "Reliability Backstop Auction to procure new capacity resources" (emphasis original). Allowing existing resources to participate would undermine the objective of driving incremental supply and risks simply reshuffling existing capacity rather than resolving any anticipated reliability shortfall. 2.Risks and Costs should follow the AI Data Centers. Under the principle of "Allocate costs to data centers," the White House and Governors Letter explains that "the size and the risks they pose to resource adequacy make today's data centers unique" as well as instructs PJM to allocate the cost of new capacity procured through the backstop procurement to LSEs serving data centers that have not self-procured or elected curtailment. The intent, consistent with the goal to protect residential customers, is that AI Data Centers bear full responsibility, directly or through their LSEs, for the reliability risks and costs they create. 3.Participation must be voluntary and load-specific: The White House and Governors Letter specifies that backstop procurement applies to data centers "that have not self-procured new capacity or agreed to be curtailable." This approach preserves three distinct service options for new AI Data Centers: participate in the backstop procurement, self-procure sufficient new capacity, or elect curtailable service. This framework ensures that procurement obligations are tied directly to the choices of the AI Data Centers driving the need for new capacity.
1. Office of Governor Josh Shapiro, Commonwealth of Pennsylvania	The Commonwealth of Pennsylvania strongly encourages PJM and its stakeholders to proceed in accordance with the joint Statement of Principles from all 13 PJM state Governors and the White House. Those Principles explicitly envision the backstop auction procuring truly new capacity. By definition, new capacity does not, except under extremely limited circumstances described below, include existing megawatts that cleared the last Base Residual Auction. Allowing existing resources to qualify as new for purposes of either the backstop auction or â€œBring Your Own New Generationâ€ cost allocation exceptions will not result in building the additional capacity needed to solve the reliability shortfall facing the region. If PJM allows shell games where existing resources are allowed to qualify as new for the backstop auction, it would exacerbate the reliability shortfall while also raising costs to consumers. This would violate the Statement of Principles. The Statement of Principles is also clear that the costs of this Reliability Backstop Auction (RBA) should be allocated to load serving entities with new data centers that have not self-procured new capacity or agreed to be curtailable. This means residential customers cannot be expected to pay an undue share of the RBA's costs, given the reliability shortfall is predominantly being driven by new large loads.

1. PPL Electric Utilities Corporation d/b/a PPL Utilities 2. Louisville Gas and Electric Company/Kentucky Utilities Company	Agree with PJM that simplicity and ease of implementation should be a key focus. Surgical solutions that provide a clear and easy pathway to transition back to a regular market construct should be preferred over more complex solutions that will be harder to unwind.
1. PN Associates	N/A
1. Sierra Club	Sierra Club supports PJM's stated goals of grid reliability and a transitional process, and generally supports the five design principles on slide 8. The backstop's design will determine whether it is a defensible transitional measure or a precedent that locks in outcomes inconsistent with least-cost reliability. Revenue certainty must come with planning obligations and performance accountability: As currently framed, the backstop offers large loads the economics of self-supply without the discipline that makes self-supply work. If PJM offers a self-supply pathway through the backstop, it must attach genuine accountability. The backstop should truly be transitional: Long-term contracts will outlast any plausible market reform timeline. Whatever RPM looks like after the market reform initiative, it will be have to take into account backstop-contracted resources. PJM should design the backstop to ensure that it will not jeopardize long-term goals of market efficiency and state policy. The shortfall is primarily an interconnection failure: PJM has GWs of pending projects in its queue. Before resorting to long-term, out-of-market procurement, PJM should demonstrate it has exhausted the tools available to bring queued resources online. State Goal Alignment: The backstop cannot hinder the states' ability to meet their clean energy goals. Ratepayer Protection and Cost Causation: Protecting residential customers and allocating costs to cost causers should be explicit goals, not background context. The backstop is not an interconnection fast track. Prevention of "premature" retirements should not be a goal: The backstop should prevent retirements only where a specific reliability need exists and retention is the demonstrated least-cost option.
1. Tenaska Power Generation, LLC	N/A
1. Dynegy Marketing and Trade, LLC	We believe that PJM identified the correct goals and principles to consider in developing a Reliability Backstop. We believe it is critical that any procurement hue as closely as possible to fundamental market principles. The goals of getting needed resources on the system and ensuring the Reliability Backstop is a transitional process – including through preventing premature existing generation retirements and having a clear ability to transition back to a durable market structure – are critical. From Vistra's perspective, any backstop market design that creates a price distinction between new and existing resources in the year the new resource enters would likely undermine price signals that lead to unintended harmful consequences such as premature retirements. Vistra believes that any solution should thus strive for a single-clearing price approach to avoid such consequence.

1. Voltus, Inc.	Voltus strongly supports a well-designed Reliability Backstop Procurement (RBP) and the paired goals of (1) providing a long-term price signal and associated investment certainty required to rapidly accelerate the deployment of new capacity while (2) protecting "native load" from the high pricing necessary for this acceleration while fairly imposing costs on the new loads (data centers) directly creating the need for large-scale grid investments. The January 16, 2026, Statement of Principles co-signed by the White House's National Energy Dominance Council and all 13 PJM Governors indicates the unique opportunity for bold action underwritten by bipartisan political support. An RBP will promptly address the urgent resource adequacy challenge while ameliorating capacity market volatility to return the Base Residual Auction to its role as the primary mechanism to drive appropriate capacity investments. Below, Voltus comments briefly on some of the principles included in the Governors' letter and referenced on Slide 4 of the February 6, 2026, slide deck that is the subject of this survey. PRINCIPLE 1: Provide Revenue Certainty to New Generation A mechanism that clears 15-yr capacity contracts will channel ready data center capital to the resources best able to support the industry's speed-to-power needs. Voltus expects GWs of new distributed resources, including energy storage resources, to clear under an RBP designed with appropriate application of these Principles. "New Generation"—described as "new capacity resources" in the Statement—should be defined as any new capacity resource, including generation, uprates, surplus, imports, demand response, and DERs. There is latent flexibility deployable today given the appropriate price signals. As a general design principle, the RBP should select the least-cost resources that are deliverable to the load by the specified delivery year, as PJM does in its other auctions. PRINCIPLES 2 & 3: Protect Residential Customers from Capacity Price Increases and Instead Allocate Costs to Data Centers Voltus supports insulating residential customers and other native load from costs associated with the unprecedented scale of load growth directly attributable to a new customer class—data centers—that is willing to take on the capacity and network upgrade costs that they directly cause. The Governors' letter further states, "PJM should allocate the cost of any new capacity procured through the aforementioned Reliability Backstop Auction to load serving entities (LSEs) with new data centers that have not self-procured new capacity or agreed to be curtailable." This workshop process should define "self-procurement" and "curtailability" such that all capacity resource types are eligible to participate in the RBP, BRA, and external mechanisms provided the contracted capacity is geographically matched to the defined system constraint. For instance, Bring Your Own Capacity models may function as self-procurement or as curtailability depending on the extent to which the capacity is sufficiently electrically proximate to reduce the volume of network upgrades required to serve the new data center. See Comments of the Distributed Capacity Parties in response to the FERC Large Load Interconnection ANOPR, Docket No. RM26-4. PRINCIPLE 6: Return PJM to Market Fundamentals The Governors' letter stated that "PJM should immediately embark on a stakeholder process to reform the capacity market to ensure long-term viability and prevent consumers from bearing excessive ongoing costs." Voltus strongly supports capacity market reforms that enable all resource types to provide benefits to the full extent of their technical capabilities (as required by FERC Order Nos. 719, 841, and 2222 for DR, storage, and DERs). OVERALL, Voltus supports the principles outlined in the White House / PJM Governors' letter and referenced on Slide 4, and emphasizes the unique and highly meaningful opportunity to unlock gigawatts of capacity on the timeline required to meet the needs of a rapidly changing economy, while making critical investments in the bulk power system to the benefit of all consumers.
1. Nous Enterprises LLC	A Reliability Backstop should be built around one core objective: procure deliverable, accredited capability that will actually reach service in the target delivery year, rather than clearing "MW on paper." To do that, the process should be triggered by objective reliability conditions (e.g., a quantified shortfall to the planning standard), and it should rely on transparent inputs and rules so procurement volumes are clearly tied to need. The selection process should be explicitly execution-realistic, meaning eligibility and scoring must reflect interconnection status, network deliverability, permitting/site control, fuel constraints, and schedule credibility. Because the primary failure mode in the current environment is attrition and slippage, the backstop must also be risk-managed by contract design, using milestones, collateral, remedies, and replacement procurement so the product is firm. Finally, the backstop should remain market-compatible and transitional, with a clear off-ramp and a "minimum necessary" procurement discipline so it does not become a parallel capacity construct that permanently distorts RPM price formation.
1. American Clean Power Association	See prior comments submitted on February 13.
1. Zenobe Americas	N/A

1. MN8 Energy	MN8 Energy appreciates the opportunity to submit these comments in response to PJM's workshops on the Reliability Backstop Procurement (RBP). For PJM to achieve the substantial levels of new entry that are needed to maintain a reliable system, the market needs to facilitate long-term off-take agreements at the levels and terms necessary to support the substantial investments required. With the extension of the BRA collar for another two years, the market will now be capped at a level that is below what is needed to support new entry. Even beyond 2030, buyers are unlikely to contract at levels substantially above the price collar into the future, because they are likely to anticipate that PJM will not let price levels remain above the current collared levels for an extended period of time. There are two proposals in the recent PJM Board Decisional Letter that could incent new entry despite the expectation of depressed market prices – the Bring Your Own New Generation (BYONG) and RBP proposals. We generally agree with PJM's proposed goals and principles for an RBP. Our primary recommendation is for PJM to consider interactions between the RBP and BYONG, and to ensure that the RBP does not pre-empt more efficient outcomes in the bilateral market. As detailed in the Board Decisional Letter, the BYONG proposal would send strong incentives to large loads to bring their own capacity, or otherwise face curtailment risk, which is unlikely to be palatable for many large loads. As PJM approaches the RBP and BYONG, it's important to bear in mind that bilateral agreements are a more efficient means of bringing on new supply than a centralized RBP because they allow for bespoke risk-sharing arrangements between buyers and suppliers. Under a centralized procurement structure, it is impossible to construct pro forma agreements that contemplate and cater to the wide range of risks that developers face when it comes to project attrition and in-service timelines, or the variety of needs and preferences that buyers have. If PJM's pro forma terms are too strict, developers will either bid in risk premiums or not bid at all, increasing clearing prices. If terms are too lenient, buyers may not receive timely capacity, which would compromise reliability. The optimal balance of terms will differ for each resource/supplier and buyer. In addition, the RBP construct will come with greater stranded cost risks and/or greater transaction costs for buyers to mitigate stranded cost risks. In contrast, bilateral contracting results in bespoke contracts that enable the party best positioned to manage risks to bear them – a dynamic that varies with each arrangement. For example, a LL buyer that has some flexibility on when it will come online may be able to tolerate more COD slippage risk in exchange for a lower price from a supplier. A buyer with a more diversified portfolio may be able to accept more idiosyncratic slippage or attrition risks for any given project. Similarly, certain projects or sellers may be more capable of pulling in UCAP delivery dates at less expense. For example, some developers will be able to pull forward equipment purchases at less expense because they have larger portfolios that they're optimizing across and/or have low-cost financing facilities for equipment. Permitting, construction, and interconnection timelines can also be accelerated in certain cases at less expense for reasons that vary based on project and supplier specifics. Finally, some suppliers can offer UCAP sooner because they have a diverse development portfolio and can be reasonably confident that a portion of their projects will be in-service and deliverable by a certain date. Centralized procurements cannot cater to these deal-to-deal specifics. For these reasons, bilateral contracting is typically more efficient and should not be pre-empted by the RBP. To the extent that PJM proceeds with a centralized mechanism, it should be voluntary wherever feasible, allowing buyers to elect the RBP or pursue bilateral options. Non-LLs and native loads should also have the option to opt out of the RBP to have their demand met through bilaterally contracted new supply. In cases where they do opt out, it's important that they retain an obligation to bring resource adequacy by the same date as required by the RBP, with some version of deficiency payments if they fail to do so. Deficiency payments are not necessary for LLs, which would be curtailed in instances where they did not BYONG under PJM's proposal. PJM has an opportunity to incentivize gigawatts of procurement through BYONG for data centers seeking to avoid curtailment under a connect-and-manage program. However, in order for LLs to participate, PJM must give LL buyers clarity and confidence that the connect-and-manage program will be workable. PJM must do this well in advance of when a LL would decide whether to participate in the RBP or pursue BYONG. By tackling RBP before BYONG and connect-and-manage, PJM is arguably putting the cart before the horse. Recognizing the extremely tight timeline over which PJM intends to implement RBP, PJM should immediately begin discussions on the BYONG program. For consideration, we outline below three outstanding issues that PJM must address: 1. PJM must commit to implementing connect-and-manage by treating non-BYONG LLs under a "firm service level" and not "guaranteed load drop" framework. To do this, PJM would monitor (either directly or via EDCs) the real time load levels of non-BYONG LLs and update load shed allocation factors dynamically so that the load shed call made to EDCs does not ask for more curtailment than is available from non-BYONG LLs. This will ensure that curtailment is indeed limited to non-BYONG LLs. 2. There is concern that non-BYONG LLs that are designated as "essential load" will be curtailed by EDCs after "non-essential" LLs that did BYONG. If this were to happen, it would create a scenario in which LLs would seek "essential load" designation to avoid needing to BYONG. Therefore, it is critical that states and EDCs require that in order to gain an "essential load" designation, a LL must BYONG. There will be a strong incentive for states and EDCs to enforce this because non-essential LLs that do BYONG will want certainty that they are rewarded for doing so, and will only site in states able to enforce this policy. PJM must rely on states to manage these designations appropriately and for EDCs to manage curtailment calls so as to not undermine BYONG incentives. Therefore, PJM should set load shed allocation factors based solely on BYONG and non-BYONG LL and not on essential or non-essential designations, which should be left to the states. 3. PJM should clarify the terms under which a LL has successfully BYONG. Recognizing the Board's preference for the RBP to be a one-off procurement, the BYONG program should follow suit. A LL should be deemed to have met its obligations if it procures new UCAP under a long-term agreement in a volume that covers its reliability impact at its desired firm service level based on a fixed, class ELCC value. If ELCCs are allowed to float, this will make it extremely commercially challenging for LLs to proceed. PJM need not worry about unit-specific performance adjustments in this accounting – it is common for unit-specific performance and PAI risks to be placed on the supplier in PPAs, such that resources will retain a strong incentive to perform.

Question 2	
Company Name	**Are there additional impacts, or feedback on identified impacts of a Reliability Backstop?**
1. Maryland Office of People's Counsel	Curtailment Obligations for Large Loads: There should be clear performance standards and curtailment triggers to address AI Data Centers that elect to be curtailable in lieu of participating in the backstop procurement or bringing their own generation. Additionally, PJM should define measurement, verification, and penalty structures to ensure curtailment commitments provide dependable capacity value. These considerations overlap with the proposed Connect and Manage (C&M) Process.
1. Office of Governor Josh Shapiro, Commonwealth of Pennsylvania	The Commonwealth of Pennsylvania strongly encourages PJM and its stakeholders to proceed in accordance with the joint Statement of Principles from all 13 PJM state Governors and the White House. The Principles represent reasonable guidelines that will ensure the long-term reliability of the system and affordability for residential customers.
1. PPL Electric Utilities Corporation d/b/a PPL Utilities 2. Louisville Gas and Electric Company/Kentucky Utilities Company	It is crucial that any Backstop framework acknowledge the differences and challenges of administration and cost allocation that arise when applying the framework to LSEs in restructured states. PPL has not formalized a position on any backstop framework. However, we believe any framework adopted should acknowledge that not all LSEs are similarly situated. Thoughtful and deliberate consideration of a Backstop framework including a PJM billing/settlement process is needed. The NEDC and Governors Statement of Principles request that PJM allocate the cost of new capacity procured through a Backstop procurement to "LSEs with new data centers that have not self-procured new capacity or agreed to be curtailable." With any remainder allocated to LSEs who are short. The PJM Board Decisional Letter on CIFP similarly directed PJM Staff to address cost allocation of Backstop procurement Costs including the assignment of costs to LSEs that are short. PJM should adopt a clear and straightforward process to identify: The right LSEs (regardless of whether PJM or an LSE is the "buyer") to whom capacity procured and costs of a Backstop framework should be assigned. This includes a process to identify specific LSEs with new data centers that have not self-procured or agreed to be curtailable. How an individual LSE net short position will be determined, , especially in restructured states where many LSEs have load serving obligations. A billing/settlement process designed to ensure Backstop procurement costs are accurately allocated including consideration of whether costs spread over the contract term should be billed to only LSEs with new data centers or determined to be net short at the time of the procurement or if costs will be reallocated among LSEs from DY to DY.
1. PN Associates	N/A
1. Sierra Club	RPM Auctions: Auctions should not be run for a specific target year. Interconnection queue: Selected resources cannot be ahead of existing queue resources. The backstop cannot be another fast track. Supply that takes advantage of the backstop's favorable terms must not cut ahead of supply in the queue. Eligible supply should hold a signed Generator Interconnection Agreement.
1. Tenaska Power Generation, LLC	N/A
1. Dynegy Marketing and Trade, LLC	NA

1. Voltus, Inc.	This discussion must reference and consider interactions with other mechanisms aimed at resolving the capacity crunch and bringing new large loads online expeditiously. The White House and PJM Governors have indicated that they will work to ensure their "LSEs allocate their share of the cost to procure new capacity through the Reliability Backstop Auctions to new data center loads that have not otherwise procured capacity or agreed to be curtailable." Voltus encourages this stakeholder process to consider Bring Your Own Capacity (BYOC) solutions available to data centers as well as existing demand response products. In particular, BYOC solutions should be considered as one mechanism by which new large loads may "otherwise procure capacity or agree to be curtailable." Data centers funding additional capacity directly achieves the desired solution if geographically located within transmission constraints, which PJM has existing methodologies to define as constrained LDAs. See PJM Manual 18 § 2.3.2. Alternative pathways to power should be considered holistically, and terms should be defined consistently.
1. Nous Enterprises LLC	PJM should explicitly address the risk that a backstop, if not tightly scoped, can unintentionally suppress RPM price signals and lead to double-procurement, which then deters merchant entry and worsens long-run adequacy. To avoid that, backstop timing and volumes should be coordinated with RPM, and procurement should be limited to the amount needed to close a quantified reliability gap. PJM should also make deliverability a first-order requirement, because a procurement that does not reflect binding transmission constraints can produce "capacity" that does not relieve the reliability problem that triggered the backstop. The backstop should also be designed to control the dominant execution risks—schedule slippage and non-completion—by requiring enforceable milestones and step-up collateral so bidders cannot treat the product as a low-commitment option. Finally, PJM should acknowledge that cost allocation will determine the durability of the mechanism, especially if incremental large-load growth is a primary driver, because cross-subsidy disputes will otherwise dominate stakeholder and FERC outcomes.
1. American Clean Power Association	See prior comments submitted on February 13.
1. Zenobe Americas	N/A
1. MN8 Energy	PJM should strive to transition away from the RBP as soon as practical. Over time, the risks of operating a bifurcated market go up, and it becomes increasingly likely that the market will create inefficient outcomes (e.g., the exit of resources that could have stuck around for less cost than the cost of new entry). For this reason, it's critical that this market bifurcation is not extended for too long. With respect to the question of accelerated interconnection, it's important that PJM does not further bifurcate the queues, as this risks undermining both Open Access and competition. Namely: 1. It would draw scarce planning resources at both PJM and the TOs from the cycle process. 2. If accelerated projects are given priority over cycle projects, this will introduce equity concerns that make PJM a less attractive market to invest in going forward. 3. High commercial readiness and study deposits for accelerated interconnection requests would concentrate market power in a smaller number of firms able to bear these carrying costs, risking a reduction in competition over the long run. With Cycle 1 about to open, we don't not see a strong case for a fast track – indeed, the EIT as proposed in the Board's letter would likely only result in an interconnection agreement about seven months before Cycle 1. This is not worth the accompanying risks. We support and encourage PJM and its stakeholders to continue working collaboratively to identify ways to accelerate the siting and permitting of new energy projects. We note that these efforts should extend to all projects, not just those participating in the EIT or RBP, because all projects are responding to the same price signals and alleviating affordability and reliability concerns.

Question 3	
Company Name	**How far forward (in delivery years) should the Backstop look to address?**
1. Maryland Office of People's Counsel	The forward horizon for the backstop procurement should be driven by demonstrated demand from AI Data Centers, as reflected in binding buy-side offers. An appropriate contract term is within the 10-20-year range, as discussed below.
1. Office of Governor Josh Shapiro, Commonwealth of Pennsylvania	N/A
1. PPL Electric Utilities Corporation d/b/a PPL Utilities 2. Louisville Gas and Electric Company/Kentucky Utilities Company	PPL has not yet formulated a position on this question. However, there is a concern that the further forward a Backstop framework looks, the less likely it becomes that procurements can be linked to specific incremental load additions. This presents challenges both to assigning procurement obligations and costs to individual LSEs in restructured states and how those costs can be accurately allocated to the "right" end-use customers under state retail rules.
1. PN Associates	N/A
1. Sierra Club	The auction should allow currently queued projects with varying in-service dates. Sierra Club urges caution about procuring too far forward. 5-10 years is a reasonable compromise.
1. Tenaska Power Generation, LLC	Proposed response: Recommend procuring through delivery year 2032/2033. This is based upon a realistic timeframe that current capacity resources (e.g., natural gas, battery storage) that are under active development in PJM will need to complete site development, permitting, secure long-lead equipment and construction. Procuring beyond this timeframe is not advised as this would invite participation from speculative projects. In order to be eligible, the project must be in the TC2 queue or earlier. This will allow for projects with more mature interconnection studies at the time of a September 2026 procurement and reduce risk of withdrawal/default.
1. Dynegy Marketing and Trade, LLC	The Backstop should procure the amount of MWs needed to meet the capacity shortfall that results from the BRA for the 28/29 delivery year but be open to projects with later CODs in order to ensure the entire shortfall is addressed.
1. Voltus, Inc.	NA
1. Nous Enterprises LLC	The backstop should look forward far enough to be actionable given the lead times for development, interconnection, and transmission, but not so far forward that it becomes speculative long-horizon planning. A practical design is to focus primarily on a 2–3 delivery-year forward window, which is where near-term adequacy risk is most acute and where procurement can still influence outcomes. PJM can extend the horizon to 4–5 years only where the reliability need is clearly demonstrated and the critical path is dominated by transmission/interconnection in-service timing with credible, measurable milestones. This keeps the mechanism aligned with its stated purpose as a bridge to restore reliability, rather than creating a standing procurement regime.
1. American Clean Power Association	See prior comments submitted on February 13.

1. Zenobe Americas	N/A
1. MN8 Energy	As presented at the first workshop, PJM's leading goal is grid reliability. The Board recently clarified that its preference is to run the RBP just once. If so, it should be structured to incentivize resources that can come online sooner. One way PJM could do this is by allowing these resources a longer term that begins earlier, e.g., a resource that can come online by DY 28/29 could earn an 18-year term whereas a resource that won't come online until DY 31/32 may be limited to a 15-year term. PJM should also perform a forward-looking locational assessment to anticipate if there will be shortfalls in any LDAs even if the RTO is sufficiently supplied. Consistent with existing practice, an LDA would be short if it does not have sufficient UCAP to maintain a 1-in-25 standard. PJM should clear the RBP to meet these locational needs.

Question 4	
Company Name	**How should the procurement targets be calculated and what party should be setting the targets?**
1. Maryland Office of People's Counsel	Procurement targets for the backstop procurement should be based on demonstrated buy-side offers from AI Data Centers that reflect their committed load obligations. The target quantity should equal the load obligation plus an appropriate reserve margin sufficient to meet the full reliability requirement. Calculation of the additional reserve margin should be consistent with existing Base Residual Auction (BRA) mechanisms and PJM's established resource adequacy criteria. Should the backstop procurement be limited to large load or should all load growth be considered? The backstop procurement should be exclusively conducted to address the requirements of AI Data Centers. AI Data Centers are the primary, if not exclusive, driver of the projected reliability shortfall. (Monitoring Analytics (January 6, 2026). "Analysis of the 2027/2028 RPM Base Residual Auction.") Further, the estimated native load growth of roughly 3 GW over a decade is decidedly modest in comparison to the approximately 70 GW of projected AI Data Center load growth over the same time period. As such, other incremental load requirements should be addressed through existing market mechanisms and other planned PJM actions, including through interconnection queue reform, management of resource retirements, further refinement of load forecasts, and related market improvements. The existing OATT Reliability Backstop Procurement, which is triggered after three consecutive Reliability Pricing Mechanism auctions failing to meet the reliability requirement, is sufficient to address such shortfalls in the interim.
1. Office of Governor Josh Shapiro, Commonwealth of Pennsylvania	N/A
1. PPL Electric Utilities Corporation d/b/a PPL Utilities 2. Louisville Gas and Electric Company/Kentucky Utilities Company	Regardless of how procurement targets are calculated or the party that sets the targets (arguably, this should be PJM), PJM will need to develop a process to determine and assign procurement targets on an LSE-by LSE basis, especially in restructured states where there are many LSEs that procure capacity to meet total forecasted demand in those states.
1. PN Associates	N/A
1. Sierra Club	Targets should be set by buyers. PJM should calculate a reference shortfall figure to inform the process, but the actual procurement volume is buyer-driven. State input should inform target-setting given the concentration of load growth and cost implications.
1. Tenaska Power Generation, LLC	N/A
1. Dynegy Marketing and Trade, LLC	Vistra supports a single auction run in September 2026 that procures a targeted volume of MWs to meet the capacity shortfall that results from the BRA for the 28/29 delivery year to be held in June. This proposal will first seek to address the shortfall by procuring resources that can be operational for the 28/29 delivery year. If insufficient resources are procured for that initial delivery year, the proposal will procure resources for the forward delivery years, starting with the following delivery year. But, the total procurement under the RBA is limited to the volume of MWs that equates to the capacity shortfall resulting from the BRA for the 28/29 delivery year. Vistra believes that it is critical to develop procurement targets based on actual capacity shortfalls identified through a BRA, rather than relying on forecasts. Using the shortfall from the BRA for 28/29 will minimize the use of less reliable load forecasts or projections of resource retirements. Relying on forecasted shortfalls based on less reliable load forecasts or retirement projections introduces risk of potential overbuild and stranded costs.
1. Voltus, Inc.	Voltus supports load buy bids as an efficient mechanism to set procurement targets. Voltus further recommends that PJM provide a mechanism for ramping these loads (and thus associated procurements) as needed.
1. Nous Enterprises LLC	Targets should be calculated through a transparent, auditable methodology that starts with the quantified reliability shortfall to the planning standard for the relevant delivery year and season. PJM should then translate that shortfall into an accredited capability requirement using PJM accreditation rules (UCAP/ELCC as applicable), and it should incorporate an explicit execution and deliverability de-risk adjustment so the procurement volume reflects realistic completion and deliverability probabilities. The final target should be capped to the minimum volume necessary to close the modeled gap, rather than overbuying for insurance without a defined rule. PJM should calculate and propose the targets because it owns the planning models and reliability criteria, but once the tariff-defined inputs are set, the target should be largely non-discretionary and subject to stakeholder review, so the outcome is defensible as neutral and reliability-driven rather than policy-driven.
1. American Clean Power Association	See prior comments submitted on February 13.
1. Zenobe Americas	N/A

1. MN8 Energy	When calculating the procurement targets, PJM should remove the demand that opts out from the RBP from the calculated need and only procure for residual needs – whether that be forecasted supply shortfalls related to native load or incremental loads. This preserves bilateral contracting as the default and keeps the backstop focused on reliability needs not addressed through the market. Thus, demand should be set as the projected shortfall, minus all large load additions, plus all LLAs that opt into the RBP, minus all non-LLA and native load that LSEs opt out of the RBP. Supply that cleared in a prior DY should also be netted out of the demand for subsequent DYs. It is important that LLs be required to opt into the procurement target because presuming demand for these resources risks 1) pre-empting more efficient bilateral contracting and 2) over-procurement for load that may not ultimately show up. PJM should be comfortable with this approach because any LL that does not opt in or BYONG will be subject to curtailment. In contrast, non-LLA and native load should be required to opt out of the procurement target and have any BYONG shortfalls backed by deficiency payments – since uncovered non-LLs are not subject to "connect-and-manage", there is not a strong incentive for these loads to BYONG in a market with collared BRA prices.

Question 5	
Company Name	**Should the backstop procurement be limited to large load or should all load growth be considered?**
1. Maryland Office of People's Counsel	N/A
1. Office of Governor Josh Shapiro, Commonwealth of Pennsylvania	N/A
1. PPL Electric Utilities Corporation d/b/a PPL Utilities 2. Louisville Gas and Electric Company/Kentucky Utilities Company	PPL has not yet developed a position on the load growth that should be eligible for procurement in a Backstop framework. We look forward to additional stakeholder discussion and offer the following for consideration. The framework ultimately adopted will determine the answer to this question. If a Backstop procurement will be a one-time event, then the procurement should be narrowly tailored. However, if this will be a permanent tool expected to be needed for the next several DYs, then it may be appropriate, at some point, to consider a broader definition of eligible load growth however, this would complicate cost allocation under state retail rules.
1. PN Associates	N/A
1. Sierra Club	Purchase should be open to any market participant.
1. Tenaska Power Generation, LLC	All load growth should be considered
1. Dynegy Marketing and Trade, LLC	Under the Joint Stakeholders Proposal, the backstop procurement would not account for the type of load in determining the volume of the procurement. Rather, the Proposal would simply seek to procure a volume of capacity that meets the shortfall resulting from the upcoming June BRA.
1. Voltus, Inc.	NA
1. Nous Enterprises LLC	The reliability need should be defined system-wide, because adequacy does not distinguish between “types” of load when calculating the planning requirement. That said, the mechanism should separate the reliability calculation from the cost-causation question, because fairness and durability depend on who is driving the incremental need. PJM should therefore base triggers and targets on total system reliability conditions, while allocating backstop costs using an objective attribution rule that reflects the extent to which incremental large-load additions materially contributed to the shortfall. This approach reduces cross-subsidy disputes, aligns incentives for responsible load interconnection and forecasting, and improves the likelihood that the mechanism survives stakeholder and FERC scrutiny.
1. American Clean Power Association	See prior comments submitted on February 13.
1. Zenobe Americas	N/A
1. MN8 Energy	See above.

Question 6	
Company Name	**Please list any considerations for determining the Counterparty to the long-term contracts through the Reliability Backstop Procurement. (example: should this be the buyer (LSE) or PJM?)**
1. Maryland Office of People's Counsel	The counterparty to long-term contracts executed through the backstop procurement should be either the AI Data Center directly or the load-serving entity assigned the data center's capacity obligation, rather than PJM itself. Robust credit and collateral requirements must apply to all parties to ensure performance and protect against default risk. Contractual obligations should be attached to the underlying load and follow the load in the event it switches suppliers to prevent cost shifting or evasion. In addition, pre-screening of participating buyers and sellers is essential to confirm financial capability and commitment.
1. Office of Governor Josh Shapiro, Commonwealth of Pennsylvania	N/A
1. PPL Electric Utilities Corporation d/b/a PPL Utilities 2. Louisville Gas and Electric Company/Kentucky Utilities Company	To keep the Backstop framework as simple as possible, PPL believes PJM should be the counterparty to long-term contracts procured through the Backstop procurement. Both the Board's CIFP Directives letter and the White House/Joint Governors Principles indicate that Backstop procurement costs should be allocated to LSEs that are short. Regardless of whether PJM or an LSE is the counterparty to the contracts, PJM will need to develop a process to determine shortfalls on an LSE-by LSE basis in restructured states in order to accurately assign procurement obligations and procurement costs. Procurement/cost allocation should not be broadly assigned to the zone in restructured states as this construct fails to recognize the competitive supply construct in those states.
1. PN Associates	N/A
1. Sierra Club	The pool of buyers should serve as the counterparty.
1. Tenaska Power Generation, LLC	agnostic to counterparty as long as they are creditworthy to enable project financing
1. Dynegy Marketing and Trade, LLC	PJM should be the central counterparty in the same sense that it is the central counterparty for the BRA
1. Voltus, Inc.	Voltus recommends that PJM act as Counterparty for the long-term contracts set up through the RBP, as PJM is best-equipped to coordinate and standardize. Parties wishing to contract with more specialized terms may do so bilaterally as is already enabled, whereas the RBP provides a streamlined pathway to enter into standardized long-term arrangements.
1. Nous Enterprises LLC	contract administration would undermine reliability outcomes. A centralized structure—PJM or a PJM-designated entity serving as contract administrator/counterparty with standardized terms—best supports enforceable milestones, collateral requirements, default remedies, and replacement procurement if a resource fails to perform. Costs can then be allocated to LSEs through the tariff, avoiding dozens of bilateral contracts that create free-rider risks and uneven enforcement incentives across LSEs. Whatever structure is chosen, PJM should clearly define how backstop obligations interact with RPM obligations to prevent double-counting, arbitrage, or unintended shifts in capacity responsibility
1. American Clean Power Association	See prior comments submitted on February 13.
1. Zenobe Americas	N/A
1. MN8 Energy	We cannot see how it would be logistically feasible to make LSEs counterparties through the RBP. In particular, there is no way for PJM to force LSEs to be signatories to RBP agreements; in many cases, this would require multiple off-take agreements per supply offer, which is very challenging for suppliers' project finance arrangements; and suppliers would struggle to price counterparty risk ex ante now knowing who the off-taker would be. Hence, PJM should be the buyer and counterparty to the RBP contracts, passing costs to LSEs in proportion to their RBP Allocation Factor. RBP Allocation Factors should allocate all RBP procurements related to LLs that have opted into the RBP directly to the LSE serving those LLs, and all other procurements based on a coincident peak factor, similar to how BRA costs are allocated today. However, these allocations should net out any LSE showings of BYONG, whether by the LSE themselves or their customers (including LLs). If the RBP under-procures vis-à-vis the reliability requirements, the LSE allocations related to the LL component should first be reduced, since this will be backstopped by a connect-and-manage policy. If PJM remains short after taking out all LLs, only then should the non-LL allocations be reduced.

Question 7		
Company Name	**What criteria should be used to determine eligible supply for a Reliability Backstop Procurement?**	**What criteria should be used to determine eligible supply for a Reliability Backstop Procurement? (Select all that apply.) - Other Detail**
1. Maryland Office of People's Counsel	Other	Eligible supply for a backstop procurement should be limited to new supply. "New" should mean the resource has not previously cleared in a Reliability Pricing Mechanism auction. In applying this definition, the following standards should govern: -Only the incremental new portion of facilities associated with uprates or expansions should qualify. -Retiring resources should not be considered new. -Previously retired resources should qualify only in the case of bona fide reactivations requiring substantial investment to return the unit to service. -Fuel-switching alone should not qualify a resource as new capacity.
1. Office of Governor Josh Shapiro, Commonwealth of Pennsylvania	Other	The Statement of Principles is explicit that only truly new capacity resources should be eligible for the backstop auction. Allowing deferred retirements to qualify as "new" would open the door to gaming and therefore would need to be accompanied by suitable safeguards, such as the Independent Market Monitor's review of financials to determine eligibility or documentation of a deactivation notice prior to the 27/28 BRA. Only incremental capacity from uprates should qualify. Imports with pseudo ties should qualify, over and above imports that have cleared previous BRAs, notwithstanding that PJM would need to lift its capacity import limits and consider increasing transfer capability to accommodate these imports. Pennsylvania supports new DR and new DER capacity eligibility, subject to preventing double counting at the retail level. As previously stated, the Statement of Principles is clear that cost allocation exceptions tied to "Bring Your Own New Generation" must be limited to new capacity that has not cleared a previous BRA.
1. PPL Electric Utilities Corporation d/b/a PPL Utilities 2. Louisville Gas and Electric	Other	N/A
1. PN Associates	Demand Response	N/A
1. Sierra Club	Other	All new sources should be eligible. Existing sources should not be eligible.
1. Tenaska Power Generation, LLC	Other	New generation
1. Dynegy Marketing and Trade, LLC	Uprates,Demand Response,Other	Reactivated generation

1. Voltus, Inc.	Uprates,Surplus,Imports (pseudo ties),Demand Response,Distributed Energy Resources (DER),Other	The RBP should seek any new MW of UCAP that is deliverable to the contracted load by the specified delivery year. All new resources—including generation, uprates, surplus, imports, demand response, and DERs—should be considered. The stakeholder process may consider whether and how to factor ELCC variability into RBP design, but neither ELCC values nor variability should act as a limitation on resource type participation. Again, all resource types should be enabled. In particular, under FERC Order Nos. 719, 841, and 2222, demand and distributed resources, including energy storage resources, must be considered on an even playing field and enabled to offer the energy, capacity, and ancillary services which they are technically capable of providing.
1. Nous Enterprises LLC	Uprates,Surplus,Deferred Retirements,Imports (pseudo ties),Demand Response,Distributed Energy Resources (DER),Other	Eligible supply should be defined by incremental, verifiable, deliverable reliability benefit in the binding season/peak hours—not by resource category. PJM should (i) require a clear incrementality test (incremental MW relative to the BRA cleared baseline), (ii) apply a deliverability/constraint screen at the modeled interface/zone level, and (iii) require performance-based penalties and telemetry/verification for any non-traditional resource (DR/DER/imports). Category eligibility is acceptable only if paired with these screens so the Backstop does not procure “paper capacity” that fails under the actual constraint.
1. American Clean Power Association	Uprates,Surplus,Other	Only new capacity, uprates to existing capacity, and Surplus Interconnection Service capacity, should qualify for backstop
1. Zenobe Americas	Other	N/A
1. MN8 Energy	Uprates,Surplus,Demand Response,Distributed Energy Resources (DER),Other	To ensure the RBP results in timely incremental UCAP, PJM should consider use of readiness requirements and financial deposits. Cleared supply should be allowed to substitute projects at the same contract terms (i.e., price, term, UCAP quantity, in-service date, location, etc.), as this will enable suppliers to hedge outside management control risks like network upgrades in interconnection results.

Question 8	
Company Name	**Please explain your position on term of contracts.**
1. Maryland Office of People's Counsel	The contract term should generally fall within a 10-20-year range. This duration provides sufficient revenue certainty to support financing and development of new capacity while allowing the parties flexibility to return to reliance on the broader market after a period of time.
1. Office of Governor Josh Shapiro, Commonwealth of Pennsylvania	N/A
1. PPL Electric Utilities Corporation d/b/a PPL Utilities 2. Louisville Gas and Electric Company/Kentucky Utilities Company	N/A
1. PN Associates	N/A
1. Sierra Club	Fifteen years is too long. PJM's Board has directed market reforms to be completed by May 2027. Fifteen-year backstop contracts would outlast this reform process by a decade. 5-10 years is a more reasonable term.
1. Tenaska Power Generation, LLC	PJM should allow for 15-year contracts, if not longer. It is common for New Generation Resources to enter contracts with a 20-year or longer term. Longer-term contracts enable a lower contract price over the contract term.
1. Dynegy Marketing and Trade, LLC	Vistra supports entities offering a minimum commitment term that extends up to 15 years. Vistra recognizes the value of long term contracting to support financing needed generation. Under the Joint Stakeholder proposal, entities can offer a commitment of up to 15 years, and term of the commitment, along with COD, are the only factors considered in project selection. This approach leverages competition to incentivize suppliers to propose shorter term contracts, which will enable the market to more quickly move back to relying on market signals to incent entry and exit, rather than relying on out-of-market contracts.
1. Voltus, Inc.	NA

1. Nous Enterprises LLC	Contract term should be tied to the reliability gap horizon and the resource's lead time, not a single fixed duration. A reasonable structure is a menu of terms: • 1–2 years for stopgap resources (deferred retirements, quick uprates, temporary/local solutions) with strong performance penalties and maintenance/capex requirements. • 3–5 years for resources requiring moderate build time or upgrades (e.g., certain imports with firming arrangements, DR/DER portfolios that need scale-up, limited transmission enablement). • 5–7+ years only where PJM is effectively relying on the resource as a durable adequacy asset and where permitting/interconnection/upgrade timelines justify it. PJM should preserve off-ramps for non-performance while avoiding terms so short that no credible new supply can finance delivery. In constrained pockets, term should also reflect the timeline to permanent transmission or market reforms that would retire the need for backstop procurement.
1. American Clean Power Association	See prior comments submitted on February 13.
1. Zenobe Americas	N/A
1. MN8 Energy	The default term should be 15 years, consistent with what PJM's tariff currently permits and aligned with the contract term that the National Energy Dominance Council and the PJM governors recommended in their letter. A 15-year term largely matches the project finance horizon needed for capital-intensive generation and storage projects. PJM should consider allowing projects to bid a shorter term, with shorter terms getting preference. PJM should also consider how to handle term lengths for projects with an earlier in-service date and should strive to encourage projects to be online as early as possible. In both of these cases, PJM needs to be very prescriptive about how term and in-service date will be scored vis-à-vis price. PJM should consider whether resources are allowed to offer contract term. If they do, preference should be given for offers that bid a shorter contract term while maintaining incentives for resources to come online as early as possible. Supply offers should bid their (1) guaranteed deliverable in service date, (2) resource type, (3) MW nameplate, and (4) bid price in $/MW UCAP terms. For each resource that clears, PJM is committing to pay the bid price for each MW of UCAP it generates in each DY. This requires PJM to take a view on how much UCAP it is likely to receive from each resource over time, while avoiding putting ELCC risk on PJM's customers. PJM should allow a seller to submit multiple contingent offers. For example, a supplier might be able to deliver UCAP starting in an earlier year for a slightly higher price, since this would likely require spending risk capital sooner, or in a later year for a lower price. In this scenario, they could specify that if the earlier year clears, the increment in the later year would not be available.

Question 9	
Company Name	**Are there willingness-to-pay considerations to resource selection? Please explain.**
1. Maryland Office of People's Counsel	Resource selection can and should reflect buyer willingness to pay so long as AI Data Centers are the sole party responsible for all associated costs and risks. That is, higher-cost resources should be permitted to clear the backstop procurement at levels aligned with AI Data Centersâ€™ demonstrated willingness to bear the incremental costs. Resources procured through a backstop auction should remain subject to the same offer rules (e.g., market seller offer cap) as other PJM resources when reintegrated into existing Reliability Pricing Mechanism processes.
1. Office of Governor Josh Shapiro, Commonwealth of Pennsylvania	N/A
1. PPL Electric Utilities Corporation d/b/a PPL Utilities 2. Louisville Gas and Electric Company/Kentucky Utilities Company	N/A
1. PN Associates	N/A
1. Sierra Club	Willingness to pay should be set by the buyers.
1. Tenaska Power Generation, LLC	Suggest a traditional tolling agreement structure where the New Generation Resource provides capacity to the Offtaker (Load). The Offtaker pays a fixed monthly fee (capacity charge) and retains the energy and ancillary service margin, offsetting costs from the fixed monthly fee. This is a common contracting structure that provides a stable and long-term cash flow enabling investment in New Generation Resources.
1. Dynegy Marketing and Trade, LLC	Vistra believes the RBA willingness to pay should be directly connected to the value of capacity as determined by the BRA demand curve. Vistra would establish an interim price cap that starts at the price on the BRA demand curve that equates to 100% of IRM and escalates overtime to the maximum price on the BRA demand curve. This would mean that the RBA would value capacity at the same price the BRA demand curve values capacity when the BRA is achieving the installed reserve margin target.
1. Voltus, Inc.	NA
1. Nous Enterprises LLC	Yes, willingness to pay should be explicit and anchored to reliability economics, otherwise backstop procurement risks overpaying. PJM should define a WTP cap using a transparent reliability value framework (e.g., avoided EUE monetized via VOLL) and apply it to incremental reliability benefit in the constrained area/season. Practically: 1.Establish the marginal reliability value of 1 additional deliverable MW in the binding zone/season (from LOLE/EUE sensitivity). 2.Procure until marginal cost ≤ marginal reliability value, with a hard cap to prevent price-insensitive outcomes. 3.Apply deliverability derates and performance risk adjustments (non-performance probability) so WTP reflects expected dependable contribution, not nameplate MW. This keeps procurement disciplined, auditable, and aligned with consumer cost exposure while still enabling pay-for-performance where reliability risk is genuinely acute.

1. American Clean Power Association	See prior comments submitted on February 13.
1. Zenobe Americas	N/A
1. MN8 Energy	PJM should consider a price cap that is significantly higher than Net CONE, such as Point A on the VRR.

Question 10	
Company Name	**How should the Reliability Backstop process take into account deliverability and necessary system upgrades?**
1. Maryland Office of People's Counsel	Capacity procured through the backstop procurement must be both new and fully deliverable. Responsibility for achieving deliverability, including funding and completing any required transmission system upgrades, should rest with the capacity supplier consistent with existing interconnection rules. Capacity suppliers participating in backstop procurements must also be subject to the same performance obligations as other interconnecting resources, including securing adequate fuel arrangements to satisfy Capacity Performance requirements. Separate ELCC values should continue to apply to dual-fuel resources.
1. Office of Governor Josh Shapiro, Commonwealth of Pennsylvania	N/A
1. PPL Electric Utilities Corporation d/b/a PPL Utilities 2. Louisville Gas and Electric Company/Kentucky Utilities Company	N/A
1. PN Associates	N/A
1. Sierra Club	It is crucial that the backstop auction do no harm to the residential customers served by RPM. The backstop cannot be allowed to eat up capacity on the transmission system to the detriment of resources procured through RPM.
1. Tenaska Power Generation, LLC	N/A
1. Dynegy Marketing and Trade, LLC	A Reliability Backstop should select projects based only on COD and contract commitment term. Incorporating deliverability and necessary system upgrades adds complexity and subjectivity that would undermine transparency and make implementation more difficult.
1. Voltus, Inc.	Deliverability discussions should consider the avoided network upgrade costs attributable to certain resource types. In particular, distributed resources and VPPs should be allowed to relieve capacity and transmission needs corresponding to the geographic area within which a new large load is expected to meet or exceed existing constraints. See Comments of the Distributed Capacity Parties in response to the FERC Large Load Interconnection ANOPR, Docket No. RM26-4.
1. Nous Enterprises LLC	Deliverability should be treated as a first-class screen. PJM should procure only resources that are deliverable to the constrained load pocket under the relevant contingency set and peak conditions, or else explicitly procure and fund the enabling upgrades as part of the backstop package. Recommended approach: • Require a deliverability test (interface/zone constraints, stability/voltage limits where applicable) and apply a deliverability factor D\in[0,1] to convert nameplate MW into deliverable accredited MW. • If upgrades are required, PJM should either (i) procure only resources that already have firm deliverability, or (ii) procure a bundled product: resource + defined upgrade scope + milestone schedule + cost responsibility clarity. • Include milestone-based payments and penalties so ratepayers do not carry upgrade risk without delivery. Bottom line: backstop procurement should buy deliverable reliability, not just capacity labels.
1. American Clean Power Association	See prior comments submitted on February 13.
1. Zenobe Americas	N/A
1. MN8 Energy	Because the goal of this procurement is to add UCAP to the system, deliverability must be accounted for. There should be contractual requirements to be deliverable by the stated in-service date, and in the absence of this, the supplier should be penalized. In order to allow suppliers to manage this deliverability risk, PJM should allow for awards at the supplier level, as opposed to the LLC level, so that suppliers can manage across a portfolio of projects – for example, a supplier might choose to develop three projects to meet an award for the equivalent of two projects, with the expectation that one will fail due to deliverability and/or other issues. PJM should leverage existing queue processes for interconnection studies for RBP resources. PJM's focus should be on accelerating normal queue processes to the degree possible, and not introducing additional, burdensome parallel queues. Upgrades required to interconnect and make an RBP resource deliverable should be borne by the cleared resource, consistent with interconnection cost allocation, and reflected in its offer. PJM should continue to assign interconnection costs to generators irrespective of whether they're in the RBP or not. Resources will price in their expectations of system upgrade costs. PJM should consider allowing projects to specify their underlying interconnection costs assumptions for system network upgrades and a threshold over which they could not hold their offer price, and allowing resources to exit contracts without unduly high penalties if interconnection costs come in above those thresholds. However, in these cases, PJM would need to factor its expectation that thresholds are exceeded, and give some preference to resources with thresholds that are less likely to be exceeded.

Question 11	
Company Name	**Should the backstop procurement be targeting September 2026? Please explain.**
1. Maryland Office of People's Counsel	Yes. The backstop procurement should target September 2026 and proceed as soon as practicable given the long lead times required to finance, permit, and construct new capacity resources. If PJM elects not to move forward promptly with a backstop procurement, then incremental large loads should be segregated and subject to curtailment until adequate capacity enters the market through existing PJM processes OR new load demonstrates that it has contracted and developed sufficient new generation on its own.
1. Office of Governor Josh Shapiro, Commonwealth of Pennsylvania	Yes. The Commonwealth of Pennsylvania strongly encourages PJM and its stakeholders to proceed in accordance with the joint Statement of Principles from all 13 PJM state Governors and the White House. The Principles represent reasonable guidelines that will ensure the long-term reliability of the system and affordability for residential customers.
1. PPL Electric Utilities Corporation d/b/a PPL Utilities 2. Louisville Gas and Electric Company/Kentucky Utilities Company	N/A
1. PN Associates	N/A
1. Sierra Club	Syncing with the queue is more realistic (end of 2026)
1. Tenaska Power Generation, LLC	Recommend targeting a backstop procurement no later than September 2026.
1. Dynegy Marketing and Trade, LLC	Vistra supports a September 2026 backstop procurement in order to promptly address an identified reliability shortfall while enabling PJM to quickly transition away from out-of-market procurements.
1. Voltus, Inc.	Yes. Given the urgency of the capacity challenge, PJM should seek to meet the objectives of the Statement of Principles, including expedited implementation of the RBP.
1. Nous Enterprises LLC	September 2026 can be appropriate only if the reliability need is forecasted to bind by that point and if PJM can run a procurement with sufficient lead time for credible delivery. The risk is that a September 2026 target can bias procurement toward short-lead “bridge” resources (deferred retirements, limited uprates) unless paired with longer-term lanes. If the constraint is structural (multi-year), PJM should run a two-lane backstop: a near-term lane (2026) for bridge reliability and a forward lane aligned with the durable fix (new supply/transmission) to avoid repeated emergency procurements.
1. American Clean Power Association	See prior comments submitted on February 13.
1. Zenobe Americas	N/A
1. MN8 Energy	Ideally, PJM would wait to run any backstop procurement until early 2027, which will give Cycle 1 projects time to receive Phase 1 results and allow Large Loads and others to shop around so as to make an informed decision about whether to participate in RBP or pursue BYONG.

Question 12	
Company Name	**Are there other considerations to the timing of the backstop? Please explain.**
1. Maryland Office of People's Counsel	Yes. The mere potential for a backstop procurement risks distorting normal development incentives, including encouraging generator developers to withhold or delay projects in the interconnection queue in order to qualify for long term commitments available via a backstop procurement. The longer the backstop procurement framework remains undefined or unimplemented, the greater the likelihood that speculative behavior will disrupt planned entry and undermine confidence in the existing RPM construct. For that reason, if PJM determines to move forward with a backstop procurement, it should move quickly to finalize and implement it to minimize market disruption. Additionally, if reliability shortfall concerns persist beyond a single procurement due to continued entry of AI Data Centers, inadequate response to an initial backstop procurement, or adjustments in the valuation of procured backstop resources (e.g., ELCC reductions), PJM should be prepared to conduct more than one backstop procurement. Any sequence of procurements should be governed by clearly defined, transparent criteria established in advance of conducting the first procurement.
1. Office of Governor Josh Shapiro, Commonwealth of Pennsylvania	The Statement of Principles lays out a clear expectation that PJM and its stakeholders will design and implement a backstop auction by September of this year.
1. PPL Electric Utilities Corporation d/b/a PPL Utilities 2. Louisville Gas and Electric Company/Kentucky Utilities Company	Any Backstop framework will ultimately necessitate the billing of end-use retail customers for the cost of long-term procurement contracts. As a result, changes to state retail billing rules may be needed to ensure these costs are allocated to the right customers. A Backstop procurement timing that gets too far ahead of consideration of retail impacts/implications by individual states may complicate or delay the billing of these costs.
1. PN Associates	N/A
1. Sierra Club	Syncing with the queue will allow supply to have more certainty about costs and ability to serve
1. Tenaska Power Generation, LLC	N/A
1. Dynegy Marketing and Trade, LLC	NA
1. Voltus, Inc.	NA
1. Nous Enterprises LLC	Timing should be aligned to (i) the binding season/peak risk window, (ii) transmission upgrade critical paths, (iii) interconnection/queue milestones, and (iv) market rule change implementation dates. PJM should also avoid timing that crowds out the BRA or creates contradictory incentives. If the backstop is meant to address a localized constraint, timing should include the latest feasible date for enabling upgrades and verification/commissioning, plus a contingency plan if milestones slip.
1. American Clean Power Association	See prior comments submitted on February 13.
1. Zenobe Americas	N/A
1. MN8 Energy	n/a

Question 13	
Company Name	**Please provide feedback on the Joint Stakeholder (Constellation, Vistra, AlphaGen, and Earthrise) Proposal.**
1. Maryland Office of People's Counsel	This question was not available at the time the survey was completed.
1. Office of Governor Josh Shapiro, Commonwealth of Pennsylvania	This question was not available at the time the survey was completed.
1. PPL Electric Utilities Corporation d/b/a PPL Utilities 2. Louisville Gas and Electric Company/Kentucky Utilities Company	This question was not available at the time the survey was completed.
1. PN Associates	This question was not available at the time the survey was completed.
1. Sierra Club	This question was not available at the time the survey was completed.
1. Tenaska Power Generation, LLC	This question was not available at the time the survey was completed.
1. Dynegy Marketing and Trade, LLC	This question was not available at the time the survey was completed.
1. Voltus, Inc.	This question was not available at the time the survey was completed.
1. Nous Enterprises LLC	This question was not available at the time the survey was completed.
1. American Clean Power Association	ACP strongly opposes deferred retirement resources qualifying for backstop procurement, as these resources already exist and did not meet reliability needs even during periods of lower or declining demand. Relying on them risks delaying the development of new accredited capacity and undermines the backstop's purpose of bringing forward timely, incremental supply to address emerging reliability needs.
1. Zenobe Americas	Zenobe strongly disagrees with the following areas of the Joint proposal: - Selection based on timing and COD, with shorter clearing first, is strongly biased towards existing generation and will not provide a strong incentive for new generation - The eligibility requirement being aligned to the same requirements as the 2028/29 BRA effectively restricts the procurement to resources that are already substantially developed and will likely cause many resources to not participate in the 2028/29 BRA in favor of this RBP procurement. Again, this is not providing an investment signal to new generation.
1. MN8 Energy	n/a

Question 14	
Company Name	**Please provide feedback on the Cross-Sector Reliability Coalition (Talen, Amazon Web Services, and Competitive Power Ventures) Proposal.**
1. Maryland Office of People's Counsel	This question was not available at the time the survey was completed.
1. Office of Governor Josh Shapiro, Commonwealth of Pennsylvania	This question was not available at the time the survey was completed.
1. PPL Electric Utilities Corporation d/b/a PPL Utilities 2. Louisville Gas and Electric Company/Kentucky Utilities Company	This question was not available at the time the survey was completed.
1. PN Associates	This question was not available at the time the survey was completed.
1. Sierra Club	This question was not available at the time the survey was completed.
1. Tenaska Power Generation, LLC	This question was not available at the time the survey was completed.
1. Dynegy Marketing and Trade, LLC	This question was not available at the time the survey was completed.
1. Voltus, Inc.	This question was not available at the time the survey was completed.
1. Nous Enterprises LLC	This question was not available at the time the survey was completed.
1. American Clean Power Association	ACP strongly opposes deferred retirement resources qualifying for backstop procurement, as these resources already exist and did not meet reliability needs even during periods of lower or declining demand. Relying on them risks delaying the development of new accredited capacity and undermines the backstop's purpose of bringing forward timely, incremental supply to address emerging reliability needs.
1. Zenobe Americas	Zenobe supports the feature of Locational procurement, which will incentivise new generation in areas of most need. Zenobe disagrees with the procurement being Pay-as-bid. Pay-as-clear is more efficient as it encourages projects to bid their truthful cost. This removes any incentive to strategically bid above cost, which can distort the cost curve and potentially results in the selection of the wrong resources. Hence, Pay-as-clear is standard across Capacity markets, including the PJM BRA. In addiiton, the procurement should not be a single round. Instead, we support tranched rounds or a two-stage of procurement rounds as per the PJM Reliability Procurement Design Working Paper to allow resources with different COD timelines to participate.
1. MN8 Energy	n/a

Question 15	
Company Name	**Please provide feedback on the IMM Proposal.**
1. Maryland Office of People's Counsel	This question was not available at the time the survey was completed.
1. Office of Governor Josh Shapiro, Commonwealth of Pennsylvania	This question was not available at the time the survey was completed.
1. PPL Electric Utilities Corporation d/b/a PPL Utilities 2. Louisville Gas and Electric Company/Kentucky Utilities Company	This question was not available at the time the survey was completed.
1. PN Associates	This question was not available at the time the survey was completed.
1. Sierra Club	This question was not available at the time the survey was completed.
1. Tenaska Power Generation, LLC	This question was not available at the time the survey was completed.
1. Dynegy Marketing and Trade, LLC	This question was not available at the time the survey was completed.
1. Voltus, Inc.	This question was not available at the time the survey was completed.
1. Nous Enterprises LLC	This question was not available at the time the survey was completed.
1. American Clean Power Association	The IMM proposal offers an elegant, market-consistent framework for separating data center-driven backstop procurement from the BRA, preserving price formation while ensuring incremental new capacity is secured through bilateral commitments.
1. Zenobe Americas	Zenobe is broadly supportive of the IMM proposal, however notes that it is light on detail on multiple important areas (technology neutrality, locational procurements, ELCC treatment). Zenobe disagrees with making data centers the counterparty, which introduces counterparty credit risk, and instead supports PJM being the counterparty
1. MN8 Energy	n/a

Question 16	
Company Name	**Please provide feedback on the Maryland Office of People's Counsel, Pennsylvania Office of Consumer Advocate, and Delaware Division of the Public Advocate Proposal.**
1. Maryland Office of People's Counsel	This question was not available at the time the survey was completed.
1. Office of Governor Josh Shapiro, Commonwealth of Pennsylvania	This question was not available at the time the survey was completed.
1. PPL Electric Utilities Corporation d/b/a PPL Utilities 2. Louisville Gas and Electric Company/Kentucky Utilities Company	This question was not available at the time the survey was completed.
1. PN Associates	This question was not available at the time the survey was completed.
1. Sierra Club	This question was not available at the time the survey was completed.
1. Tenaska Power Generation, LLC	This question was not available at the time the survey was completed.
1. Dynegy Marketing and Trade, LLC	This question was not available at the time the survey was completed.
1. Voltus, Inc.	This question was not available at the time the survey was completed.
1. Nous Enterprises LLC	This question was not available at the time the survey was completed.
1. American Clean Power Association	N/A
1. Zenobe Americas	Zenobe supports the following areas of this proposal: - The tighter definition of new resources to only new and incremental MW from uprates, and excluding projects that have previously cleared in an RPM auction, is a helpful restriction to enable new generation. - The condition placed on data centers, with hard deadlines and obligation to contract new capacity, will help reduce speculative data center projects that are potentially distorting load forecasts
1. MN8 Energy	n/a

Question 17	
Company Name	**Please provide feedback on the PJM Reliability Backstop Design Working Paper.**
1. Maryland Office of People's Counsel	This question was not available at the time the survey was completed.
1. Office of Governor Josh Shapiro, Commonwealth of Pennsylvania	This question was not available at the time the survey was completed.
1. PPL Electric Utilities Corporation d/b/a PPL Utilities 2. Louisville Gas and Electric Company/Kentucky Utilities Company	This question was not available at the time the survey was completed.
1. PN Associates	This question was not available at the time the survey was completed.
1. Sierra Club	This question was not available at the time the survey was completed.
1. Tenaska Power Generation, LLC	This question was not available at the time the survey was completed.
1. Dynegy Marketing and Trade, LLC	This question was not available at the time the survey was completed.
1. Voltus, Inc.	This question was not available at the time the survey was completed.
1. Nous Enterprises LLC	This question was not available at the time the survey was completed.
1. American Clean Power Association	Two issues raised in ACP's comments were not addressed in the working paper. ACP will continue working with PJM to address these in future iterations: Interconnection treatment. PJM should provide clarity on how backstop resources in the queue will be treated from an interconnection standpoint, including whether they will be studied serially, through the normal cluster process, or as a defined portfolio, and how headroom and upgrade cost responsibility will be preserved to avoid disadvantaging existing queued projects. BRA price integrity and participation rules. The backstop design should not suppress BRA price signals. Backstop resources should participate in future BRAs at a contract-linked price floor for the duration of their commitment, until any successor resource adequacy framework replaces the BRA. PJM should also clarify how backstop supply and associated load will be incorporated into future BRAs, including whether a structure similar to that outlined in the IMM proposal could provide a market-consistent solution.
1. Zenobe Americas	Zenobe supports several areas of the PJM Reliability Backstop Design Working Paper: - Technology neutrality for new generation - PJM as the administrator and the counterparty, which is key for bankability - Two-stage structure that accommodates different project development timelines Zenobe sees the following areas as needing clarification or changes: - The procurement should not be Pay-as-bid. Pay-as-clear is more efficient as it encourages projects to bid their truthful cost. This removes any incentive to strategically bid above cost, which can distort the cost curve and potentially results in the selection of the wrong resources. Hence, Pay-as-clear is standard across Capacity markets, including the PJM BRA. - No mention of ELCC accreditation treatment, which should be clarified as it is an important distinguishing factor between technologies and could introduce de-facto technology preference later down the line - No mention of fuel switching and repowering, which should be excluded to ensure genuinely new capacity - Penalty structure should distinguish (as per the Talen, AWS proposal) between developer-caused delays and grid upgrade delays outside the developer's control
1. MN8 Energy	See answers above