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May 20, 2026

Honorable Debbie-Anne A. Reese
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E. Room 1A
Washington, D.C. 20426

Re: PJM Interconnection L.L.C., Docket Nos. EL25-49-000 and -001
Third Supplemental Informational Report

Dear Secretary Reese:

As referenced in the previous supplemental informational reports of PJM Interconnection, L.L.C. (“PJM”),¹ PJM submits this third supplemental informational filing to update the Federal Energy Regulatory Commission (“Commission”) regarding the timeline for stakeholder deliberation on the reliability backstop procurement mechanism.

I. INFORMATIONAL FILING

Since the March 9, 2026 second supplemental informational report, PJM has continued to discuss the framework of a reliability backstop procurement mechanism with stakeholders. Through these stakeholder workshops, it has become apparent that issues of reliability backstop procurement and the connect and manage framework, which is meant to assign any shortfall in supply to entities that are interconnecting new large-load customers, are too substantively linked to continue to be discussed in separate stakeholder processes. As a result, the PJM Board is

¹ *PJM Interconnection, L.L.C.*, Second Supplemental Informational Report, Docket No. EL25-49-000, at 2 (Mar. 9, 2026) (pledging to notify the Commission of changes to the anticipated timeline for developing the updated reliability backstop procurement mechanism); *PJM Interconnection, L.L.C.*, Supplemental Informational Report, Docket No. EL25-49-000, at 3 (Feb. 23, 2026) (same).

extending the scope of its already initiated Critical Issue Fast Path (“CIFP”) regarding reliability backstop procurement to include the already approved connect and manage issue charge as well.²

Based on the discussions to date, PJM plans to develop a comprehensive reliability backstop proposal for stakeholder consideration by the end of June. PJM plans to file a finalized proposal with the Commission shortly thereafter with the goal of procuring any shortfall resulting from the upcoming Base Residual Auction through a centralized procurement in September 2026.

II. CONCLUSION

PJM pledges to keep the Commission informed of the timeline for submission of a filing to the Commission if changes to the current timeline become necessary. PJM appreciates the Commission and stakeholders’ dedication and engagement on this matter.

Respectfully submitted,

/s/ Daniel Vinnik

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*On behalf of
PJM Interconnection, L.L.C.*

² See Attachment A, PJM Board Letter; PJM Issue Charge, Implementation of Connect and Manage Framework for Large Load Interconnections, <https://www.pjm.com/-/media/DotCom/committees-groups/task-forces/camstf/2026/20260331/20260331-item-02---1-connect-and-manage-framework-for-large-load-interconnections---issue-charge.pdf>.

CERTIFICATE OF SERVICE

I hereby certify that I have this 20th day of May, 2026 caused a copy of the foregoing document to be served upon each person designated on the official service list compiled by the Secretary in this proceeding.

/s/ Daniel Vinnik

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Attachment A



Paula Conboy
Chair, PJM Board of Managers

PJM Interconnection
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May 19, 2026

Reliability Backstop Procurement / Connect and Manage

Dear Stakeholders,

The PJM Board of Managers (Board) would like to express appreciation for stakeholder participation in the discussion of two Board decisional items resulting from the Critical Issue Fast Path (CIFP) Large Load Addition stakeholder process – the Reliability Backstop Procurement (Backstop) and Connect and Manage (C&M). In the interest of utmost transparency, the Board would like to provide you with its current thinking on both items.

First, it has become clear that the Backstop and C&M are too substantively linked to continue to be discussed in separate stakeholder processes. Data center participation in the Backstop, whether through the proposed bilateral framework or the centralized procurement, is meant to remove that load from C&M consideration. With two separate stakeholder processes moving on two separate timelines, the melding of these efforts may not be seamless. Thus, the Board is using its authority under PJM Manual 34 to extend the scope of its already initiated CIFP on the Backstop to include the already approved PJM C&M Issue Charge. The Exelon C&M Issue Charge relating to transmission availability will remain in the Connect and Manage Senior Task Force and a new work plan will be developed to advance that effort.

Second, the Board believes that PJM should proceed with its proposed framework for the Backstop – allow discrete time for bilateral contracting between willing buyers and sellers while also timely executing a centralized procurement. However, the Board believes that it should expedite the conduct of the centralized procurement. Accelerating the centralized procurement recognizes that certainty in C&M is necessary to better support bilateral transactions, but that final certainty, recognizing the potential for rehearing requests and court challenge, may not be available until sometime in 2027. Waiting until 2027 to execute the centralized procurement, considering the pace of demand from new large loads, presents a heightened reliability risk to PJM. Procuring the shortfall resulting from the upcoming Base Residual Auction through a centralized procurement in September 2026 will mitigate the near-term reliability risk while not precluding future bilateral contracting opportunities for additional resources to fulfill new large load demand for future delivery years.

Further, PJM recently released its white paper [Powering Reliability Through Market Design](#) (PDF). PJM executing on the centralized procurement sooner will allow PJM and stakeholders to devote their collective focus to the evolution of our markets and allow for a more rapid return to market fundamentals. For these reasons, and again, in the interest of transparency, stakeholders should expect to see the next iteration of PJM's proposal to include this more accelerated centralized procurement time frame in tandem with changes necessary to effectuate the incorporation of C&M into PJM's original Backstop proposal.

May 19, 2026

Page 2

Third, PJM sent a correspondence to each of our governors last week requesting that they immediately start work on their commitment to allocate costs to data centers. After PJM runs the Backstop procurement, if states have not established frameworks to appropriately allocate costs to new data center loads, it is unclear to which customers those costs would be assigned. Absent appropriate safeguards, it is possible that these costs will be allocated to other consumers in the states, including residential consumers. We reiterate our ask here as PJM does not have the authority to allocate costs directly to retail customers.

A revised CIFP schedule combining the Backstop and C&M will be published shortly. We do know for certain that we will not be conducting CIFP Stage 4 and holding a Special MC on May 27, and may instead use that date for an additional CIFP meeting as we continue to receive refined proposals and feedback from stakeholders.

Sincerely,

Paula Conboy
Chair, PJM Board of Managers