



PJM Interconnection, L.L.C.
2750 Monroe Boulevard
Audubon, PA 19403-2497

Michael Bryson
Senior Vice President, Operations
Michael.Bryson@pjm.com
(610) 666-4659

July 2, 2026

Bradley Kranz
Vice President Asset Management
NRG Energy, Inc.
NRG Tower
1301 McKinney Street
Houston, TX 77010

Re: Notice of Temporary Continued Operation of Illinois Generating Assets

Dear Mr. Kranz,

PJM received a deactivation notice from NRG Energy, Inc. (NRG), parent company of Aurora Generation, LLC, LSP University Park, LLC, Rockford Generation, LLC, and University Park Energy, LLC (collectively, the Illinois Generating Assets).

The generation resources listed in the Appendix (Applicable Illinois Generating Assets), which consist of natural gas- and oil-fired resources totaling approximately 2,376 MW (ICAP) – that, in order to comply with the Illinois Climate and Equitable Jobs Act (CEJA)¹, the resources will deactivate on or before December 31, 2029.

This will impact the resources' participation as capacity resources in PJM's 2029/2030 Delivery Year, and as such, per PJM rules, the resources will need to apply by July 27, 2026, for a must-offer exception to the 2029/2030 Base Residual Auction (BRA).² Pursuant to the authority provided to PJM under CEJA and based on the justification provided below, PJM requests the continued operation of the Illinois Generating Assets until May 31, 2031.

Resource Adequacy Concerns

PJM's most recent auction for generation capacity, the 2027/2028 Base Residual Auction, with results³ released on December 17, 2025, indicates that PJM procured short of its reliability requirement by 6,623 MW, meaning that the committed supply is less than what would be required to meet the one-event-in-10-year reliability standard of a 20% reserve margin. Illinois' recent Resource Adequacy Study,⁴ released on December 15, 2025, assessed resource adequacy

¹ [Public Act 102-0662](#), section 9.15(l).

² [Base Residual Auction Schedule](#), see sheet entitled *29/30 BRA Post*. Additionally, per [PJM Manual 14](#), Section 9.1.1 – An existing resource that intends to retire on January 1, 2030, may not notify PJM any earlier than October 1, 2028.

³ [PJM 2027/2028 Base Residual Auction Report](#)

⁴ [PJM 2025 Resource Adequacy Study](#)

needs and risk in the near- to medium-term (2026 through 2035) and found that “PJM is expected to experience a capacity shortfall beginning in 2029, with the deficit projected to widen in subsequent years if left unabated.” North American Electric Reliability Corporation’s (NERC) 2025 Long-Term Reliability Assessment shows PJM as High-Risk beginning in 2029.⁵ Recent projections for PJM’s Reliability Backstop process point to a potential 55 GW deficit over the next decade.⁶

Retirement Impacts

The retirement of the Illinois Generating Assets, along with over 3,060 MW of additional applicable generation in Illinois by 2030 would result in significant thermal-based and voltage-based reliability criteria violations according to PJM’s analysis of CEJA.⁷ The thermal-based violations are due to the significant increase in power imported from east to west to replace the energy currently provided by the retiring generation, and the voltage-based violations are due to the loss of reactive power currently provided by the retiring generation. The upgrade costs to address these reliability criteria violations due to the 2030 retirements were estimated at over \$700M. Since this study was completed, the forecast loads for 2030 in PJM as a whole, and COMED individually, have increased by 30%.⁸ PJM’s most recent capacity market planning parameters showed a 60% decline in the ability of the COMED Locational Deliverability Area’s ability to import the energy needed during an emergency.⁹ Loss of the Illinois Generating Assets would impact the provision of critical ancillary services, and the ability to restore the grid. Additionally, the retirement of the Illinois Generating Assets would have the local grid impacts, as further outlined in the Appendix. It is important to note that even before accounting for the potential loss of the Illinois Generating Assets, ComEd’s CETL/CETO margin is already deficient at 59%, causing the ComEd zone to fail the Load Deliverability analysis. This is because multiple ComEd internal 345 kV lines are binding due to base case conditions. The loss of the Illinois Generating Assets would further reduce the CETL/CETO margin in ComEd.

CEJA Reliability Provisions and Generator Obligations to PJM

CEJA wisely provides the ability for a generating unit to temporarily continue operating should the Regional Transmission Organization, in this case PJM, determine that “ongoing operation of the EGU is necessary to maintain power grid supply and reliability.”¹⁰ PJM expressed the need to use such “existing reliability safety-valve measures” in our communication to Governor Pritzker earlier this year.¹¹ Accordingly, due to the aforementioned current and projected shortage of capacity resources in PJM, PJM has determined that the Illinois Generating Assets are needed to continue operating until the projected shortage is resolved or until the integrated resource planning process below has taken effect to resolve the shortage.

⁵ [NERC 2025 LTRA](#) In high-risk areas, planned resources as of July 2025 would result in energy shortfalls that exceed resource adequacy targets or baseline criteria for unserved energy or loss of load.

⁶ [Discussion Around Goals, Principles and Elements of a Reliability Backstop Procurement](#), slide 15

⁷ [Illinois Generation Retirement Study](#)

⁸ [2026 PJM Load Forecast Report](#) and [2022 PJM Load Forecast Report](#)

⁹ [2028/2029 RPM Base Residual Auction Planning Period Parameters](#)

¹⁰ Public Act 102-0662 at Section 9.15, subsection (l).

¹¹ [PJM Board Response to IL Governor and NJ Former Governor Regarding National Energy Dominance Council and 13 Governors’ Statement of Principles](#)

As a PJM Member, NRG has committed to cooperate in the coordinated planning and operation of the facilities within the PJM Region to obtain the greatest practicable degree of reliability, compatible economy and other advantages from such coordinated planning and operation in a manner consistent with PJM governing documents.¹²

NRG has also agreed to “[c]ooperate with the other Members and the Office of the Interconnection in the analysis, formulation and implementation of plans to prevent or eliminate conditions that impair the reliability of the PJM Region[.]”¹³

“Consistent with Good Utility Practice, [PJM] shall be authorized to direct or coordinate corrective action, whether or not specified in the PJM Manuals, as necessary to alleviate unusual conditions that threaten the integrity or reliability of the PJM Region, or the regional power system.”¹⁴

Clean and Reliable Grid Affordability Act (CRGA) Integrated Resource Planning

Considering present facts and pursuant to PJM’s authority, PJM requests NRG’s cooperation in formulating and implementing a plan to help prevent and mitigate these unusual system conditions that impair the reliability of the PJM Region. Specifically, PJM requests NRG’s cooperation to take all necessary steps consistent with CEJA to avoid deactivation of the Illinois Generating Assets on or before December 31, 2029, including continued operation at least through May 31, 2031. This short extension will allow you to participate in the upcoming 2029/2030 and 2030/2031 capacity auctions.

This will also have the impact of preserving the resource to allow for reliable and affordable development of the Integrated Resource Plan¹⁵ pursuant to the Clean and Reliable Grid Affordability Act (CRGA).¹⁶ It is our understanding that Illinois’ recently passed CRGA is meant to address resource adequacy in the state through an integrated resource planning process. PJM will assess the need for continued operation of the Illinois Generating Assets prior to each delivery year, beginning with the 2031/2032 Delivery Year.

Please have a duly authorized officer of NRG respond as soon as possible to this letter to signify whether PJM’s proposed plan is agreeable to support system reliability in the PJM Region.

Regards,

/s/Michael E. Bryson

Michael E. Bryson
Senior Vice President, Operations
PJM Interconnection, L.L.C.

¹² Operating Agreement, section 11.3.2.

¹³ *Id.* at section 11.3.2(g); *see also* section 11.3.2(b).

¹⁴ Tariff, Attachment K-Appendix, section 1.7.15; *see also* Operating Agreement, section 11.3.4.

¹⁵ [Illinois Integrated Resource Plan](#)

¹⁶ [Public Act 104-0458](#)

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

PROPOSED PLAN AGREED AND ACCEPTED ON THIS 2nd DAY OF July, 2026:

[XXXX]


Name: Bradley Kranz

Title: Secretary - Aurora Generation, LLC
LSP University Park, LLC
Rockford Generation, LLC, and
University Park Energy, LLC

APPENDIX

APPLICABLE ILLINOIS GENERATING ASSETS

Aurora: Units 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10, @ 974 MW, Aurora, IL

- **In a sensitivity where 13 at-risk CEJA units were modeled as deactivated in the 2026 RTEP 5 Year (Year 2031) power flow case, PJM found that continued dispatch of Aurora would mitigate or reduce overloads otherwise observed. Thus, continued operation of the Aurora units, possibly itself or in combination with continued operation of other units, could mitigate observed overloads. Alternatively, continued operation of Aurora would increase system headroom, which has the potential to reduce costs for new generation and load interconnections.**

University Park South: Units 31-1, 31-2, 32-1, 32-2, 33-1 and 33-2, @ 320 MW, University Park, IL

- **In a sensitivity where 13 at-risk CEJA units were modeled as deactivated in the 2026 RTEP 5 Year (Year 2031) power flow case, PJM found that continued dispatch of the University Park South units would reduce overloads otherwise observed. Thus, continued operation of the University Park South units, in combination with continued operation of other units, could mitigate observed overloads. Alternatively, continued operation of the University Park South units would increase system headroom, which has the potential to reduce costs for new generation and load interconnections.**

Rockford: Units 11 and 12 and 21, @ 537 MW, Rockford, IL

- **In a sensitivity where 13 at-risk CEJA units were modeled as deactivated in the 2026 RTEP 5 Year (Year 2031) power flow case, PJM found that continued dispatch of the Rockford units would mitigate or reduce overloads otherwise observed. Thus, continued operation of the Rockford units, possibly themselves or in combination with continued operation of other units, could mitigate observed overloads. Alternatively, continued operation of the Rockford units would increase system headroom, which has the potential to reduce costs for new generation and load interconnections.**

University Park North: Units 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12, @ 545 MW, University Park, IL

- **In a sensitivity where 13 at-risk CEJA units were modeled as deactivated in the 2026 RTEP 5 Year (Year 2031) power flow case, PJM found that continued dispatch of the University Park North units would mitigate an overload otherwise observed. Thus, continued operation of the University Park North units, by themselves, could mitigate an observed overload. Alternatively, continued operation of the University**

Park North units would increase system headroom, which has the potential to reduce costs for new generation and load interconnections.