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June 4, 2026

The Honorable Debbie-Anne A. Reese
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426-0001

*Re: PJM Interconnection L.L.C., Docket No. ER26-2738-000,
Proposal to Extend Rules to Recognize Certain RMR Resources as Capacity Through the
2030/2031 Delivery Year*

Dear Secretary Reese:

Pursuant to section 205 of the Federal Power Act (“FPA”)¹ and the Federal Energy Regulatory Commission’s (“Commission”) Regulations,² PJM Interconnection, L.L.C. (“PJM”) hereby submits these limited revisions to the PJM Open Access Transmission Tariff (“Tariff”) to extend, through the 2030/2031 Delivery Year, the existing rules that recognize the resource adequacy contributions of certain “reliability must-run” (“RMR”) resources retained pursuant to Tariff, Part V.

This FPA section 205 filing is being made in conjunction with two separate FPA section 205 filings by Brandon Shores LLC (“Brandon Shores”) and H.A. Wagner LLC (“Wagner”) to extend the term of the Commission-approved RMR Continuing Operations Rate Schedules (“CORS”), as required by the Commission-approved settlement in Docket Nos. ER24-1787 and

¹ 16 U.S.C. § 824d.

² 18 C.F.R. Part 35.

ER24-1790.³ PJM requests that the proposed revisions in this filing become effective on August 4, 2026, sixty-one days from the date of this filing.

I. BACKGROUND

A. PJM's Proposal to Recognize the Resource Adequacy Contributions of RMR Resources in Docket No. ER25-682

On December 9, 2024, PJM proposed changes to the Tariff to recognize the resource adequacy contribution of certain resources with RMR agreements that met certain objective criteria commensurate with providing resource adequacy through the 2027/2028 Delivery Year.⁴ Specifically, to recognize an RMR resource as supply in the RPM Auctions, the associated RMR agreement must demonstrate that the underlying resource:

- (1) has the ability to meet deliverability requirements and has sufficient Capacity Interconnection Rights as evidence of that deliverability;
- (2) has not cleared in the capacity market but is subject to a cost recovery agreement;
- (3) is reasonably expected to be able to operate for the entire Delivery Year; and
- (4) is required by its RMR agreement to be available for PJM dispatch in expectation of all PJM emergencies.

These requirements were established to provide confidence that qualifying RMR resources can perform during capacity emergencies in a manner similar to a committed Capacity Resource.⁵

³ See generally *H.A. Wagner LLC*, Joint Offer of Settlement, Docket No. ER24-1787-001 (Jan. 27, 2025) (“Wagner Settlement”), *Brandon Shores LLC*, Joint Offer of Settlement, Docket No. ER24-1790-001 (Jan. 27, 2025) (“Brandon Shores Settlement”). See Wagner and Brandon Shores Settlement, Revised CORS at section 2.6(b) (“Any extension agreed to in accordance with this Section 2.6 shall be subject to Brandon Shores filing with FERC under Federal Power Act (“FPA”) section 205 an amendment to this Rate Schedule for the rates, terms, and conditions of service during the extended term.”). See also Wagner and Brandon Shores Settlement at 4.7 (“In the event PJM and one or both Generators agree to extend the Term of either or both Settled CORS in accordance with Section 2.6 of the Settled Brandon Shores CORS and/or Section 2.6 the Settled Wagner CORS, as applicable. . . PJM will make such filings as it deems necessary to preserve the terms of this Stipulation concerning market revenue offsets for the extension period.”).

⁴ *PJM Interconnection, L.L.C.*, Revisions to Reliability Pricing Model, Docket No. ER25-682-000, at 12-15 (Dec. 9, 2024) (“2024 RMR Filing”).

⁵ For the purpose of this filing, capitalized terms not defined herein shall have the meaning as contained in the PJM Open Access Transmission Tariff, Amended and Restated Operating Agreement, and the Reliability Assurance Agreement Among Load Serving Entities in the PJM Region.

In accepting this criteria, the Commission “agree[d] with PJM that taking into consideration the resource adequacy contributions of RMR resources that meet certain criteria, such that they can be reasonably expected to perform, similar to capacity resources, will reflect the actual availability of resources in the PJM Region.”⁶

In the same order, the Commission also accepted the related rules for RMR resources that meet this criteria, which were later extended through the 2028/2029 Delivery Year.⁷ Specifically, RMR resources that meet these criteria are included in the supply stack with a Sell Offer of \$0/MW-day in the RPM Auctions at the resource’s full available UCAP amount to guarantee that the resource will clear the auction. But because RMR resources are already fully compensated for their operation through their corresponding RMR agreements, the revenues stemming from the capacity market are credited back to the same loads that paid for the RMR agreements.⁸ This ensures that those loads are not paying twice for the same capacity—once through an RMR agreement that contribute to resource adequacy and again through the capacity market. At the same time, because PJM administratively counts qualifying RMR resources in the supply stack and the resource owner does not make an affirmative choice to be committed in the RPM Auctions, it would be inappropriate to subject such resources to the rights and obligations of a committed Capacity Resource. Therefore, the Tariff explicitly states that such resources “shall not be subject to the rights and obligations of a committed Capacity Resource.”⁹ In other words, such resources are not required to offer into the energy market, are not subject to operational and capability testing,

⁶ *PJM Interconnection, L.L.C.*, 190 FERC ¶ 61,088, at P 47 (2025).

⁷ *PJM Interconnection, L.L.C.*, Revisions to Reliability Pricing Model, Docket No. ER26-239-000 (Oct. 24, 2025) (“2025 RMR Extension Filing”).

⁸ Tariff, Attachment DD, section 5.3(b)(v).

⁹ Tariff, Attachment DD, section 5.3(b)(iv)

and will not be eligible for Non-Performance Charges for underperformance or bonus payments for overperformance.

In practice, these rules only impact the treatment of two RMR resources, H.A. Wagner, LLC (“Wagner”) and Brandon Shores, LLC (“Brandon Shores”),¹⁰ as those are the only operating resources currently subject to RMR agreements.

B. Settlement of the Brandon Shores and Wagner Units’ RMR Agreements

On January 27, 2025, Brandon Shores and Wagner submitted offers of settlement with PJM, the Maryland Public Service Commission (“Maryland Commission”), Southern Maryland Electric Cooperative (“SMECO”), Old Dominion Electric Cooperative (“ODEC”), and Exelon Corporation, (together, the “Settling Parties”) for providing RMR service from Brandon Shores generating station units 1 and 2 and Wagner generating station units 3 and 4.¹¹ As relevant here, the Brandon Shores and Wagner settlements have a term that extends until May 31, 2029,¹² and set forth the rates, terms, and conditions under which the Brandon Shores and Wagner facilities will provide RMR service and be administratively accounted for as capacity in the RPM Auctions through the 2028/2029 Delivery Year.¹³ Notwithstanding the foregoing, the Brandon Shores and Wagner settlements expressly contemplate that the term of the RMR agreements maybe extended by submitting a new filing pursuant to section 205 of the Federal Power Act if PJM and the

¹⁰ See *Wagner*, 191 FERC ¶ 61,098, *order denying reh’g*, 192 FERC ¶ 61,189 (2025); see also, *Wagner*, Joint Offer of Settlement, Docket No. ER24-1787-001 (Jan. 27, 2025); *Brandon Shores LLC*, Joint Offer of Settlement, Docket No. ER24-1790-001 (Jan. 27, 2025).

¹¹ *Supra n.3.*

¹² See Revised Continuing Operating Rate Schedule accompanying Joint Offer of Settlement at section 2.2 (“Unless terminated as provided in Sections 2.3, 2.4, or 2.5, this Rate Schedule shall have a term (the “Term”) through May 31, 2029.”).

¹³ *Id.* at section 4.8.1 (PJM filed “a separate FPA section 205 to extend the provisions accepted in ER25-682-000 to Brandon Shores and Wagner to the existing Tariff provisions through the 2028/2029 Delivery Year in accordance with section 4.8 of the Settlement.”).

resource owner agree to such an extension.¹⁴

II. PJM PROPOSES TO EXTEND THE TREATMENT OF QUALIFYING RMR RESOURCES AS CAPACITY THROUGH THE 2030/2031 DELIVERY YEAR

When the current RMR agreements for the Brandon Shores and Wagner units to remain online through the 2028/2029 Delivery Year were originally developed, the necessary transmission upgrades into the Baltimore Gas and Electric (“BG&E”) Zone were expected to be completed by the end of that Delivery Year (i.e., May 31, 2029). However, as detailed in the affidavit of Mark Sims, “challenges with land acquisition, permitting, and supply chain-related delays” associated with the relevant transmission upgrades have necessitated the need to further retain the Brandon Shores and Wagner units through the end of the 2030/2031 Delivery Year to reliably serve customers in the BG&E Zone until such transmission upgrades are completed.¹⁵ Additionally, Mr. Sims explains that “additional transmission requirements beyond the immediate need solutions [] have now been added to the plan and must be in place to mitigate the thermal and voltage violations resulting from deactivation of Brandon Shores and Wagner.”¹⁶

As a result, upon further assessing the reliability of the system assuming the Brandon Shores and Wagner units were deactivated with the latest anticipated in-service dates of the associated transmission enhancements, PJM determined “that the reliability of the system is dependent on the Brandon Shores and Wagner units currently subject to the RMR arrangements being available until several key planned transmission enhancements in the local (MD) and regional (MD, PA, WV, VA) area are constructed and energized.”¹⁷ Based on the latest available

¹⁴ *Supra n.4.*

¹⁵ Affidavit of Mark Sims at ¶8.

¹⁶ *Id.*

¹⁷ Affidavit of Mark Sims at ¶10.

information of in-service dates for the relevant transmission enhancements, the term of the RMR agreements for the Wagner and Brandon Shores units should be extended until the end of the 2030/2031 Delivery Year (i.e., May 31, 2031).¹⁸

As a result, the RMR agreements for the Brandon Shores and Wagner resources will need to be extended through May 31, 2031 to help maintain system reliability in the BG&E Zone prior to the completion of the necessary transmission upgrades. To effectuate this extension, PJM has been in active discussions with Brandon Shores and Wagner, along with other Settling Parties, to extend the RMR agreements for the Brandon Shores and Wagner units through the 2030/2031 Delivery Year, and the Settling Parties have agreed to seek Commission approval for extension of the RMR agreements until May 31, 2031. Accordingly, this FPA section 205 filing is being made in conjunction with two separate FPA section 205 filings by Brandon Shores and H.A. Wagner LLC to extend the RMR agreement, as required by the Commission-approved settlement in Docket Nos. ER24-1787 and ER24-1790.¹⁹ Such extension will effectuate the continuation of all the same terms and conditions from the existing RMR agreements that the Commission has already accepted.²⁰

¹⁸ *Id.*

¹⁹ See generally *H.A. Wagner LLC*, Joint Offer of Settlement, Docket No. ER24-1787-001 (Jan. 27, 2025) (“Wagner Settlement”), *Brandon Shores LLC*, Joint Offer of Settlement, Docket No. ER24-1790-001 (Jan. 27, 2025) (“Brandon Shores Settlement”). See Wagner and Brandon Shores Settlement, Revised CORS at section 2.6(b) (“Any extension agreed to in accordance with this Section 2.6 shall be subject to Brandon Shores filing with FERC under Federal Power Act (“FPA”) section 205 an amendment to this Rate Schedule for the rates, terms, and conditions of service during the extended term.”). See also Wagner and Brandon Shores Settlement at 4.7 (“In the event PJM and one or both Generators agree to extend the Term of either or both Settled CORS in accordance with Section 2.6 of the Settled Brandon Shores CORS and/or Section 2.6 the Settled Wagner CORS, as applicable. . . PJM will make such filings as it deems necessary to preserve the terms of this Stipulation concerning market revenue offsets for the extension period.”).

²⁰ See *H.A. Wagner LLC*, 191 FERC ¶ 61,098, *order denying reh’g*, 192 FERC ¶ 61,189 (2025)

PJM is submitting this section 205 filing concurrently with the FPA section 205 filings of Brandon Shores and Wagner so that the Commission can issue an order on this proposal sufficiently in advance of the current deadline for posting of the planning parameters associated with the Base Residual Auction for the 2029/2030 Delivery Year (i.e., August 31, 2026) and avoid any potential delays to the auction itself. Specifically, whether the Brandon Shores and Wagner units should continue to be included as supply in the RPM Auctions will impact the planning parameters (e.g., Capacity Emergency Transfer Objective, Capacity Emergency Transfer Limit, Reliability Requirements, VRR Curve shape, Forecast Pool Requirement, etc.) for the 2029/2030 Base Residual Auction. To that end, PJM requests that the Commission accept this filing no later than August 3, 2026 to provide sufficient time for PJM to either include or exclude the Brandon Shores and Wagner resources in the planning models that will ultimately be used to develop the planning parameters for the Base Residual Auction associated with the 2029/2030 Delivery Year, which are currently scheduled to be posted on August 31, 2026.

III. PJM’S PROPOSAL IS JUST AND REASONABLE BECAUSE IT ADOPTS SUBSTANTIVE TERMS ALREADY ACCEPTED BY THE COMMISSION AND IS LIMITED IN DURATION

A. RMR Treatment of Existing RMR Resources Continues to be Just and Reasonable Through the 2030/2031 Delivery Year

The proposed extension of the Tariff rules to allow for the continued recognition of the resource adequacy contributions from the Brandon Shores and Wagner units through the 2030/2031 Delivery Year is just and reasonable because, *inter alia*, the RMR agreements provide “a reasonable substitute for a capacity resource in terms of its ability to contribute to resource adequacy during emergencies”²¹ and the inclusion of such resources in the capacity market will

²¹ *PJM Interconnection, L.L.C.*, 190 FERC ¶ 61,088, at P 49.

result in more accurate price signals, reflecting the actual availability of resources for the relevant Delivery Years. PJM's proposal seeks to retain the substantive terms the Commission already found to be just and reasonable regarding the treatment of these resources.²² Specifically, the Commission agreed with PJM that accounting for the resource adequacy contributions of RMR resources that can be reasonably expected to perform similarly to Capacity Resources with capacity commitments reflect the actual availability of resources in the PJM Region and avoids the risk that load will pay twice for the same capacity.²³ The Commission further confirmed that PJM's proposal to include RMR units in the capacity market supply stack as price takers was consistent with Commission precedent regarding the treatment of RMR resources in other RTO/ISOs.²⁴

The Commission also found PJM's proposed gating criteria for establishing which RMR resources can be reasonably expected to perform similarly to committed Capacity Resources to be just and reasonable, explicitly noting PJM's affirmation that the Brandon Shores and Wagner units met PJM's proposed criteria and could be relied upon to perform during capacity emergencies.²⁵ More particularly, PJM explained that an RMR resource's capacity capability can be relied upon if the resource: (i) meets deliverability requirements and has sufficient Capacity Interconnection Rights; (ii) has an RMR agreement that requires it to be available for PJM dispatch in expectation of all PJM emergencies; and (iii) is reasonably expected to be able to operate for the entire Delivery Year in accordance with applicable permits and legal requirements.²⁶ RMR resources that meet

²² See *Wagner*, 191 FERC ¶ 61,098, at P 29.

²³ *PJM Interconnection, L.L.C.*, 190 FERC ¶ 61,088, at P 47.

²⁴ *Id.* at P 50.

²⁵ *Id.* at P 48.

²⁶ 2024 RMR Filing at 23.

these gating criteria provide PJM with reasonable assurances that they can contribute toward resource adequacy and therefore should be accounted for in PJM's capacity market.²⁷ As the Commission previously explained, these criteria "reasonably consider whether PJM can commit an RMR resource during emergency conditions to help meet the system's resource adequacy needs . . . [and] reasonably accounts for that resource's resource adequacy contribution . . . [because it] demonstrates that a qualifying RMR resource will be a reasonable substitute for a capacity resource in terms of its ability to contribute to resource adequacy during emergencies."²⁸

As was previously the case, the RMR agreements for the Brandon Shores and Wagner resources continue to meet these criteria because, under those agreements, the resources (1) are deliverable and have the requisite CIRs, (2) may be dispatched by PJM during the term of the RMR agreement to address transmission needs and capacity emergencies, and (3) are reasonably expected to be available to operate for the entire Delivery Year.²⁹ Under the proposed extension of the underlying RMR agreements, the same terms and conditions that the Commission previously accepted will apply to the Brandon Shores and Wagner units. As a result, these units will continue to meet the criteria to be counted as supply in the RPM Auctions and can be relied on to perform during capacity emergencies. Specifically, the Brandon Shores and Wagner units will continue to: (i) meet deliverability requirements and have sufficient Capacity Interconnections Rights; (ii) have RMR agreements that require the units to be available for dispatch during PJM emergencies; and (iii) reasonably be expected to be able to operate for the entire Delivery Year in accordance with the applicable permits and legal requirements.

²⁷ *Id.*

²⁸ *PJM Interconnection, L.L.C.*, 190 FERC ¶ 61,088, at P 49.

²⁹ 2024 RMR Filing at 20-24.

Given that the RMR extension for the Brandon Shores and Wagner units will continue to meet the criteria specified above, such resources should also continue to count towards meeting the reliability requirements in the RPM Auctions through the end of the RMR agreement (i.e., 2030/2031 Delivery Year) by including them in the supply stack at \$0/MW-day.³⁰ As the Commission previously acknowledged, this approach “reduces the risk that load will procure excess capacity and pay for capacity twice.”³¹ In short, the same reasons that created the need for this RMR arrangement and rationale for including the qualifying RMR resources in the supply stack for the RPM Auctions continue to exist today. Accordingly, an extension of the Tariff provisions specified in Tariff, Attachment DD, section 5.3(b) to count qualifying RMR resources (i.e., Brandon Shores and Wagner) through the 2030/2031 Delivery Year continues to be just and reasonable.

B. PJM Proposes Limited Modifications to Tariff, Attachment DD, section 5.3(b) That Will Allow For the Continued Recognition of the Resource Adequacy Contributions From Brandon Shores and Wagner

To allow for the continued recognition of the resource adequacy contributions of Brandon Shores and Wagner in the RPM Auctions, PJM proposes two limited modifications to the existing Tariff, Attachment DD, section 5.3(b). First, PJM proposes to simply update the first sentence of this section to specify that these provisions apply through the 2030/2031 Delivery Year. Second, PJM proposes to add a provision that qualifies RMR resources to be recognized as capacity when, inter alia, it is subject to an RMR agreement “that constitutes an extension of a rate schedule that has previously been accepted by the Federal Energy Regulatory Commission.” This addition is appropriate and necessary to continue accounting for the Brandon Shores and Wagner units in the

³⁰ See proposed Tariff, Attachment DD, section 5.3(b).

³¹ *PJM Interconnection, L.L.C.*, 190 FERC ¶ 61,088, at P 50.

supply stack of the RPM Auctions because the updated RMR agreement that extends the operation of these resources through May 31, 2031 is technically a new RMR agreement that has not yet been accepted by the Commission. When this existing language in Tariff, Attachment DD, section 5.3(b) was first introduced, PJM explained that Commission acceptance of an RMR agreement three months prior to the posting of the planning parameters was appropriate to provide greater confidence on which RMR resources PJM should include in the planning models.³²

Here, the limited FPA section 205 filings of Brandon Shores and Wagner to extend the RMR agreements through May 31, 2031 constitute an extension of the CORS that the Commission has already previously accepted. Thus, PJM's proposed modification to this provision addresses any concern that the extended RMR agreements are technically new agreements that have not yet been accepted, while still limiting the inclusion of RMR resources in the planning models to those that will operate in accordance with a rate schedule that constitutes the same as one that has previously been accepted by the Commission. Confidence that the extension of the RMR agreement will be accepted is further bolstered by the fact that the President of the United States has proclaimed that it is "the policy of the United States that in order to ensure adequate and reliable electric generation in America, to meet growing electricity demand, and to address the national emergency declared pursuant to Executive Order 14156 of January 20, 2025 (Declaring a National Energy Emergency), our electric grid must utilize all available power generation resources."³³

³² *PJM Interconnection, L.L.C.*, Revisions to Reliability Pricing Model, Docket No. ER25-682-000, at 19 (Dec. 9, 2024).

³³ Exec. Order No. 14,262, Strengthening the Reliability & Security of the United States Elec. Grid, 90 Fed. Reg. 15,521, at 15,521 (Apr. 14, 2025) ("EO 14262"); *see also* Exec. Order 14,156, Declaring a Nat'l Energy Emergency, 90 Fed. Reg. 8,433 (Jan. 29, 2025) ("EO 14156"); *see also* Exec. Order 14,261, Reinvigorating America's Beautiful Clean Coal Industry and Amending Executive Order 14241, 90 Fed. Reg. 15,517 (Apr. 8, 2025).

In short, this additional provision provides the same level of confidence for PJM to include the Brandon Shores and Wagner in the planning models that will ultimately be used in the planning parameters that will be posted on August 31, 2026. To effectuate this proposal, PJM proposes to amend Tariff, Attachment DD, section 5.3(b)(i) by (1) changing the Delivery Year specified to be up to and including the “2030/2031 Delivery Year” and (2) adding a provision that the RMR agreement constitutes an extension of a rate schedule that was previously accepted by the Commission, as shown in blackline below.

Tariff, Attachment DD, section 5.3(b)(i)

For Delivery Years up to and including the ~~2028/2029~~ 2030/2031 Delivery Year (unless an extension of these provisions are proposed by the Office of Interconnection and accepted by the Federal Energy Regulatory Commission), a Generation Capacity Resource that has been retained pursuant to Tariff, Part V to address transmission reliability and that (1) does not clear an RPM Auction for the relevant Delivery Year based on an offer, if any, submitted by the Capacity Market Seller of such resource and (2) is the subject of a rate schedule submitted in accordance with Tariff, Part V that ~~(a)~~ obligates the Generation Capacity Resource to operate throughout the relevant Delivery Year and ~~(a)~~ (b) has been accepted by the Federal Energy Regulatory Commission to be effective for the relevant Delivery Year at least three months prior the posting of the planning parameters or (b) that constitutes an extension of a rate schedule that has previously been accepted by the Federal Energy Regulatory Commission, shall be deemed to be the subject of a Sell Offer at \$0/MW-Day in the Base Residual Auction for the full available Accredited UCAP (up to the resource's Capacity Interconnection Rights) of such resource to the extent the Generation Capacity Resource:

C. This Proposal Extends the Existing Tariff Rules Through the 2030/2031 Delivery Year to Provide the Necessary Time for PJM’s Stakeholder Process on the Development of a Pro Forma RMR to Conclude.

PJM stakeholders approved an updated Deactivation Enhancements Senior Task Force (“DESTF”) Issue Charge at its April 8, 2025 meeting to include a key work activity focused on the development of longer-term solution options to recognize resource adequacy contributions of

RMR resources in the capacity market through a pro forma RMR arrangement.³⁴ As part of this work, PJM reviewed a draft pro forma RMR agreement and a majority of the DESTF recently supported adopting this pro forma RMR agreement.³⁵

Notwithstanding, while the PJM stakeholders further consider the pro forma RMR agreements at the higher level stakeholder groups, Tariff, Attachment DD, section 5.3(b) will still need to be updated in the interim to continue to recognize the resource adequacy contributions of the Brandon Shores and Wagner units because the RMR agreement for these resources will be based on a previously accepted RMR agreement. Moreover, the potential pro forma RMR agreement has not yet been filed with, and accepted by, the Commission. As a result, regardless of the outcome of the final stakeholder vote on the pro forma RMR agreement, the existing provisions of Tariff, Attachment DD, section 5.3(b) need to be extended through the 2030/2031 Delivery Year so that PJM can continue to recognize the resource adequacy contributions of retaining the Wagner and Brandon Shores resources.

IV. PROPOSED EFFECTIVE DATES

PJM proposes an effective date of August 4, 2026 for the proposed Tariff revisions referenced herein. PJM requests that the Commission issue an order on this filing by August 3, 2026, 60 days from the date of this filing, to provide sufficient time for PJM to either include or exclude the Brandon Shores and Wagner resources in the planning models that will ultimately be used to develop the planning parameters for the Base Residual Auction associated with the 2029/2030 Delivery Year, which are scheduled to be posted on August 31, 2026.

³⁴ PJM, Deactivation Enhancements Senior Task Force, Enhancement to Deactivation Rules Issue Charge (July 24, 2024), <https://www.pjm.com/-/media/DotCom/committees-groups/task-forces/destf/2025/20250408/20250408-item-04---approved-destf-issue-charge.pdf>.

³⁵ PJM, DESTF Voting Results – Scope Area 6, <https://www.pjm.com/-/media/DotCom/committees-groups/task-forces/destf/2026/20260519/20260519-item-04---voting-results.pdf>

V. STAKEHOLDER CONSULTATION

Given that the decision to extend the RMR agreements for Brandon Shores and Wagner was made recently and the planning parameters for the 2029/2030 Base Residual Auction are scheduled to be posted by August 31, 2026, there was not sufficient time to employ a traditional stakeholder vote of these proposed Tariff changes. Therefore, as required by Tariff, section 9.2(b), PJM consulted the Members Committee and the Transmission Owners seven days prior to submitting this filing. Specifically, PJM consulted with stakeholders at a special Members Committee meeting on May 27, 2026.³⁶ In addition, PJM consulted with the Transmission Owners on May 28, 2026, in accordance with the Consolidated Transmission Owners Agreement, section 7.5.1(ii).

VI. DESCRIPTION OF SUBMITTAL

This filing consists of the following:

1. This transmittal letter;
2. Attachment A – Revisions to the Tariff, in redline format;
3. Attachment B – Revisions to the Tariff, in clean format; and
4. Attachment C – Affidavit of Mark Sims on Behalf of PJM Interconnection, L.L.C.

³⁶ PJM, Members Committee, Agenda Item 1 (May 27, 2026), <https://www.pjm.com/-/media/DotCom/committees-groups/committees/mc/2026/20260527-special-rmr/agenda.pdf>.

VII. CORRESPONDENCE

The following individuals are designated for inclusion on the official service list in this proceeding and for receipt of any communications regarding this filing:

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VIII. SERVICE

PJM has served a copy of this filing on all PJM Members and on all state utility regulatory commissions in the PJM Region by posting this filing electronically. In accordance with the Commission's regulations,³⁷ PJM will post a copy of this filing to the FERC filings section of its internet site, located at the following link: <https://www.pjm.com/library/filing-order> with a specific link to the newly-filed document, and will send an e-mail on the same date as this filing to all PJM Members and all state utility regulatory commissions in the PJM Region³⁸ alerting them that this filing has been made by PJM and is available by following such link. If the document is not immediately available by using the referenced link, the document will be available through the referenced link within 24 hours of the filing. Also, a copy of this filing will be available on the FERC's eLibrary website located at the following link:

³⁷ See 18 C.F.R. §§ 35.2(e) and 385.2010(f)(3).

³⁸ PJM already maintains, updates and regularly uses e-mail lists for all PJM Members and affected state commissions.

<http://www.ferc.gov/docsfiling/elibrary.asp> in accordance with the Commission's regulations and Order No. 714.

IX. CONCLUSION

Based on the foregoing, PJM respectfully requests that the Commission accept this proposed Tariff amendment as filed.

Respectfully submitted,

/s/ Chenchao Lu

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

Attachment A

Revisions to the
PJM Open Access Transmission Tariff

(Marked Format)

5.3 Commitment of Contractually Purchased Capacity Resources

- (a) A Load Serving Entity that has purchased the right to the capacity output of a generation resource and desires to commit such right as a Capacity Resource for a Delivery Year shall be considered a Capacity Market Seller. Such an LSE must submit a Sell Offer in the Base Residual Auction for such Delivery Year, in accordance with the procedure and time schedule set forth in the PJM Manuals. In such Sell Offer, the Capacity Resource offered by the LSE may be submitted as Self-Supply or with an offer price. PJM Settlement shall not be the Counterparty with respect to a Capacity Resource designated as Self-Supply.
- (b) (i) For Delivery Years up to and including the 20~~28~~30/20~~29~~31 Delivery Year (unless an extension of these provisions are proposed by the Office of Interconnection and accepted by the Federal Energy Regulatory Commission), a Generation Capacity Resource that has been retained pursuant to Tariff, Part V to address transmission reliability and that (1) does not clear an RPM Auction for the relevant Delivery Year based on an offer, if any, submitted by the Capacity Market Seller of such resource and (2) is the subject of a rate schedule submitted in accordance with Tariff, Part V that ~~(a)~~ obligates the Generation Capacity Resource to operate throughout the relevant Delivery Year and ~~(ba)~~ has been accepted by the Federal Energy Regulatory Commission to be effective for the relevant Delivery Year at least three months prior the posting of the planning parameters or (b) that constitutes an extension of a rate schedule that has previously been accepted by the Federal Energy Regulatory Commission, shall be deemed to be the subject of a Sell Offer at \$0/MW-Day in the Base Residual Auction for the full available Accredited UCAP (up to the resource's Capacity Interconnection Rights) of such resource to the extent the Generation Capacity Resource:
- (A) is reasonably expected to be deliverable and able to operate during the relevant Delivery Year in accordance with applicable permits and is not prohibited from operating during the relevant Delivery Year based on any bilateral restrictions with any private third-party entity; and
- (B) is reasonably expected to be available for dispatch by the Office of the Interconnection in expectation of any PJM emergencies and to perform to address emergencies absent the resource being on an outage.
- (ii) To the extent the final Accredited UCAP of a Generation Capacity Resource's capacity accreditation is greater than the amount considered in the Base Residual Auction in which the resource was deemed to be the subject of a Sell Offer, the Office of Interconnection shall deem any additional increase to be the subject of a Sell Offer at \$0/MW-Day for the full additional Accredited UCAP in the Third Incremental Auction for the relevant Delivery Year. To the extent (a) the final Accredited UCAP of a Generation Capacity Resource's capacity accreditation is less than the amount considered in the Base Residual Auction in which that the resource was deemed to be the subject of a Sell Offer or (b) the Generation Capacity Resource no longer meets the criteria in Tariff, Attachment DD, section 5.3(b)(i), the Office of Interconnection shall seek additional capacity

commitments equivalent to the Unforced Capacity shortfall through the Third Incremental Auction for the relevant Delivery Year in accordance with Tariff, Attachment DD, section 5.4(c).

- (iii) The cleared Unforced Capacity of a Generation Capacity Resource that meets the criteria in Tariff, Attachment DD, section 5.3(b)(i) above, shall be counted toward the Final RTO Unforced Capacity Obligation for the relevant Delivery Year. Provided, however, to the extent the final Accredited UCAP is less than the amount counted in the Base Residual Auction or the Generation Capacity Resource no longer meets the criteria in Tariff, Attachment DD, section 5.3(b)(i) prior to the determination of the final Zonal Capacity Prices associated with the relevant Delivery Year, the cleared Unforced Capacity shall be reduced by a commensurate amount.
- (iv) A Generation Capacity Resource subject to this Attachment DD, section 5.3(b), shall not be subject to the rights and obligations of a committed Capacity Resource. Further, such Generation Capacity Resource shall not be eligible for Non-Performance Charges or bonus payments and the performance and cleared Unforced Capacity of such Generation Capacity Resource shall be excluded from the Balancing Ratio, as specified in Tariff, Attachment DD, section 10A.
- (v) All capacity market revenues associated with the cleared Unforced Capacity of such Generation Capacity Resource shall be credited to the entities that are paying for the continuing operations of the Generation Capacity Resource pursuant to the rate schedule discussed above in subsection (b)(i)(2). Such revenues shall be credited to the load in the Zone(s) of the Transmission Owner(s) that is assigned financial responsibility for the reliability upgrades associated with the deactivation of such Generation Capacity Resource in accordance with Tariff, Part V, section 120. However, no such capacity revenues shall be credited to the entities that paid for the continuing operations of the Generation Capacity Resource pursuant to the rate schedule discussed above beginning on the date such rate schedule ceases to be in effect, or the resource deactivates or has a catastrophic failure that physically prevents the resource from operating during the relevant Delivery Year; and to the extent this occurs after the determination of final Zonal Capacity Prices for the relevant Delivery Year, the capacity market revenues associated with the cleared Unforced Capacity of such Generation Capacity Resource shall be distributed on a pro-rata basis back to all Load Serving Entities that were charged a Locational Reliability Charge for the day based on their Daily Unforced Capacity Obligations.

Attachment B

Revisions to the PJM Open Access Transmission Tariff

(Clean Format)

5.3 Commitment of Contractually Purchased Capacity Resources

- (a) A Load Serving Entity that has purchased the right to the capacity output of a generation resource and desires to commit such right as a Capacity Resource for a Delivery Year shall be considered a Capacity Market Seller. Such an LSE must submit a Sell Offer in the Base Residual Auction for such Delivery Year, in accordance with the procedure and time schedule set forth in the PJM Manuals. In such Sell Offer, the Capacity Resource offered by the LSE may be submitted as Self-Supply or with an offer price. PJM Settlement shall not be the Counterparty with respect to a Capacity Resource designated as Self-Supply.
- (b) (i) For Delivery Years up to and including the 2030/2031 Delivery Year (unless an extension of these provisions are proposed by the Office of Interconnection and accepted by the Federal Energy Regulatory Commission), a Generation Capacity Resource that has been retained pursuant to Tariff, Part V to address transmission reliability and that (1) does not clear an RPM Auction for the relevant Delivery Year based on an offer, if any, submitted by the Capacity Market Seller of such resource and (2) is the subject of a rate schedule submitted in accordance with Tariff, Part V that obligates the Generation Capacity Resource to operate throughout the relevant Delivery Year and (a) has been accepted by the Federal Energy Regulatory Commission to be effective for the relevant Delivery Year at least three months prior the posting of the planning parameters or (b) that constitutes an extension of a rate schedule that has previously been accepted by the Federal Energy Regulatory Commission, shall be deemed to be the subject of a Sell Offer at \$0/MW-Day in the Base Residual Auction for the full available Accredited UCAP (up to the resource's Capacity Interconnection Rights) of such resource to the extent the Generation Capacity Resource:
- (A) is reasonably expected to be deliverable and able to operate during the relevant Delivery Year in accordance with applicable permits and is not prohibited from operating during the relevant Delivery Year based on any bilateral restrictions with any private third-party entity; and
- (B) is reasonably expected to be available for dispatch by the Office of the Interconnection in expectation of any PJM emergencies and to perform to address emergencies absent the resource being on an outage.
- (ii) To the extent the final Accredited UCAP of a Generation Capacity Resource's capacity accreditation is greater than the amount considered in the Base Residual Auction in which the resource was deemed to be the subject of a Sell Offer, the Office of Interconnection shall deem any additional increase to be the subject of a Sell Offer at \$0/MW-Day for the full additional Accredited UCAP in the Third Incremental Auction for the relevant Delivery Year. To the extent (a) the final Accredited UCAP of a Generation Capacity Resource's capacity accreditation is less than the amount considered in the Base Residual Auction in which that the resource was deemed to be the subject of a Sell Offer or (b) the Generation Capacity Resource no longer meets the criteria in Tariff, Attachment DD, section 5.3(b)(i), the Office of Interconnection shall seek additional capacity commitments equivalent to the Unforced Capacity shortfall through the Third

Incremental Auction for the relevant Delivery Year in accordance with Tariff, Attachment DD, section 5.4(c).

- (iii) The cleared Unforced Capacity of a Generation Capacity Resource that meets the criteria in Tariff, Attachment DD, section 5.3(b)(i) above, shall be counted toward the Final RTO Unforced Capacity Obligation for the relevant Delivery Year. Provided, however, to the extent the final Accredited UCAP is less than the amount counted in the Base Residual Auction or the Generation Capacity Resource no longer meets the criteria in Tariff, Attachment DD, section 5.3(b)(i) prior to the determination of the final Zonal Capacity Prices associated with the relevant Delivery Year, the cleared Unforced Capacity shall be reduced by a commensurate amount.
- (iv) A Generation Capacity Resource subject to this Attachment DD, section 5.3(b), shall not be subject to the rights and obligations of a committed Capacity Resource. Further, such Generation Capacity Resource shall not be eligible for Non-Performance Charges or bonus payments and the performance and cleared Unforced Capacity of such Generation Capacity Resource shall be excluded from the Balancing Ratio, as specified in Tariff, Attachment DD, section 10A.
- (v) All capacity market revenues associated with the cleared Unforced Capacity of such Generation Capacity Resource shall be credited to the entities that are paying for the continuing operations of the Generation Capacity Resource pursuant to the rate schedule discussed above in subsection (b)(i)(2). Such revenues shall be credited to the load in the Zone(s) of the Transmission Owner(s) that is assigned financial responsibility for the reliability upgrades associated with the deactivation of such Generation Capacity Resource in accordance with Tariff, Part V, section 120. However, no such capacity revenues shall be credited to the entities that paid for the continuing operations of the Generation Capacity Resource pursuant to the rate schedule discussed above beginning on the date such rate schedule ceases to be in effect, or the resource deactivates or has a catastrophic failure that physically prevents the resource from operating during the relevant Delivery Year; and to the extent this occurs after the determination of final Zonal Capacity Prices for the relevant Delivery Year, the capacity market revenues associated with the cleared Unforced Capacity of such Generation Capacity Resource shall be distributed on a pro-rata basis back to all Load Serving Entities that were charged a Locational Reliability Charge for the day based on their Daily Unforced Capacity Obligations.

Attachment C

Affidavit of Mark Sims
on Behalf of
PJM Interconnection, L.L.C.

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

PJM Interconnection, L.L.C.

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Docket No. ER26-2738-000

**AFFIDAVIT OF MARK SIMS
ON BEHALF OF
PJM INTERCONNECTION, L.L.C.**

I. BACKGROUND AND QUALIFICATIONS

1. My name is Mark Sims. I am the Senior Manager of Long-Term and Interregional Transmission Planning at PJM Interconnection, L.L.C. (“PJM”). My business address is 2750 Monroe Boulevard, Audubon, Pennsylvania 19403.

2. I joined PJM in June of 1999. I have been in my current position as the Senior Manager of Long Term and Interregional Transmission Planning since April 2025, and over the course of my twenty-seven year career at PJM, I have also served as the: (i) Senior Manager of Interconnection Analysis, (ii) Manager of Infrastructure Coordination; (iii) Manager of Transmission Planning, and (iv) Senior Manager of PJM Long Term and Interregional Transmission Planning. My principal responsibility is to lead the development of PJM’s Regional Transmission Expansion Plan. This function centers on the planning of the regional transmission system for the provision of reliable electric service in accordance with North American Electric Reliability Corporation (“NERC”) Reliability Standards, as well as PJM and Transmission Owner reliability and operational criteria. I also lead the team that will implement PJM’s Long-Term Regional Transmission Planning Protocol, as accepted by the Federal Energy Regulatory Commission (“FERC”).

3. I hold both a Bachelor of Science degree and a Master of Engineering degree from the Pennsylvania State University.

II. PURPOSE OF DECLARATION

4. I am providing this Affidavit in support of PJM's determination that the Term of the Reliability Must-Run ("RMR") arrangements for the Brandon Shores and Wagner generating stations should be extended from May 31, 2029 until May 31, 2031.

5. Specifically, I will explain PJM's planning analysis and why the analysis indicates that extension of the RMR Term until May 31, 2031 is prudent and warranted.

III. PJM'S ANALYSIS

6. The existence of the Brandon Shores and Wagner RMR arrangements is the direct result of a physical reality—the existing electrical transmission system surrounding Baltimore is highly utilized during peak conditions. Given the announced deactivation of these facilities, which are located to the south of Baltimore, this portion of the system is severely transmission constrained without required transmission upgrades. Absent these requisite transmission upgrades, PJM's analysis yields significant thermal and voltage violations stemming directly from the deactivation of these facilities.

7. When Talen notified PJM of its intention to deactivate Brandon Shores Units 1 and 2 and Wagner Units 3 and 4 in April and October of 2023, respectively, PJM conducted the deactivation and planning analyses required under Tariff, Part V. That analysis, by definition, must incorporate consideration of the projected timelines for any immediate need reliability solutions in the area—meaning a reliability-based transmission enhancement or expansion that PJM has identified to resolve a need that must be addressed within three years. Importantly, the immediate need classification does not consider projected implementation time of the solution but rather the need date of the reliability violation that triggered the need for a solution.

8. In its 2023 analysis, PJM initially determined immediate need transmission requirements for Brandon Shores and Wagner, with consideration of projected in-service dates for required transmission reinforcements by the end of 2028. However, there have been several important developments since PJM conducted its initial analysis in 2023. First, the projected in-service dates of the applicable immediate need transmission upgrades have been delayed. The original projected in-service dates of the most critical immediate need transmission upgrades were anticipated as early as 2028. Since that time, the responsible Transmission Owners have begun project implementation and updated PJM with later projected in-service dates, in some instances by several years. Given the locations of the required upgrades, the Transmission Owners anticipate challenges with land acquisition, permitting, and supply chain-related delays. Second, the planning assumptions, including the load forecast, have changed significantly since 2023, resulting in additional transmission requirements beyond the immediate need solutions that have now been added to the plan and must be in place to mitigate the thermal and voltage violations resulting from deactivation of Brandon Shores and Wagner.

9. At the time PJM was in the process of identifying the immediate need solutions in mid and late 2023, corresponding with the deactivation announcements by Brandon Shores and Wagner, PJM was also engaged in the annual transmission system evaluation. PJM announced a system reliability plan update (i.e., the “2022 Window 3” solutions) in late 2023. That evaluation was able to incorporate the announced deactivations and associated immediate need upgrades in the evaluation and development of solutions.¹ The 2022 Window 3 solutions included additional transmission enhancements in the Baltimore area in addition to the immediate need solutions since

¹ See PJM, Reliability Analysis Report for 2022 RTEP Window 3 (Dec. 5, 2023), <https://www.pjm.com/-/media/DotCom/committees-groups/committees/teac/2023/20231205/20231205-2022-rtep-window-3-reliability-analysis-report.pdf>.

that evaluation also included, among other known information, updates to the PJM load forecast that included significant additional load growth. These additional transmission requirements are documented in the “2022 Window 3” solutions approved by the PJM Board in December 2023. Similarly in 2024, PJM updated assumptions, including the load forecast, and performed a system-wide study that again incorporated the immediate need solutions and developed any additional necessary upgrades. The updated 2024 assessment (“the 2024 RTEP Window 1”) solutions were approved by the PJM Board in February 2025.² These sets of analyses looked at future years with the assumption that the Brandon Shores and Wagner units were deactivated and the expectation that the associated transmission enhancements would be complete. Recently, in 2026, PJM assessed the reliability of the system assuming the units were deactivated and incorporated the current anticipated in-service dates of the associated transmission enhancements. PJM found that thermal and voltage violations exist and may jeopardize system reliability without completion of the transmission enhancements listed below in Figure PJM-1 while postponing the deactivation of the Brandon Shores and Wagner units.

10. Accordingly, PJM’s current analysis indicates that the reliability of the system is dependent on the Brandon Shores and Wagner units currently subject to the RMR arrangements being available until several key planned transmission enhancements in the local (MD) and regional (MD, PA, WV, VA) area are constructed and energized. The current anticipated in-service dates for these upgrades are as follows:

² The Reliability Analysis Report for 2024 RTEP Window 1 is available here: <https://www.pjm.com/-/media/DotCom/committees-groups/committees/teac/2025/20250304/20250304-2024-rtep-window-1-reliability-analysis-report.pdf>.

Figure PJM-1

Key Baseline Reliability Projects		Projected In-Service Dates (as of June 2026)
2022 RTEP Window 3	Otter Creek – Doubs 500 kV line (MPRP):	Jun. 2027
	Morrisville – Vint Hill – Wishing Star 500kV line	Jun. 2030
	North Delta – High Ridge 500 kV line	Dec. 2030
	Peach Bottom – Conastone 500 kV line rebuild	Dec. 2030
	502 JCT-Woodside-Aspen 500 kV line	Dec. 2031
2024 RTEP Window 1	Amos-Welton Spring-Rocky Point 765 kV line	Jun. 2029
	Joshua Falls-Yeat 765 kV line	Jun. 2029
	Kraken 500 kV loop of 2024 W1	Sep. 2030

At this time, given the anticipated in-service dates of the transmission enhancements, PJM Planning is recommending that the Term of the RMR arrangements be extended until May 31, 2031. While one specific upgrade—502 JCT-Woodside-Aspen 500 kV line—is currently projected to be in service by December 2031, PJM does not believe that this projected completion date is firm enough now in June 2026 to warrant including the Brandon Shores and Wagner facilities in the Planning parameters for subsequent Delivery Years beyond May 31, 2031, although such an extension of the Term of the RMR arrangements may be warranted in the future as PJM receives additional information from the applicable Transmission Owners and regulatory authorities, and considers future load forecasts. PJM is committed to re-assessing the need for the RMR if system conditions or critical upgrade in-service dates change.

11. This concludes my Affidavit.

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

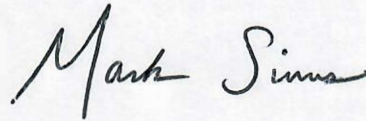
PJM Interconnection, L.L.C.

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Docket No. ER26-2738-000

VERIFICATION OF MARK SIMS

Mark Sims, being first duly sworn, deposes and states on this date of June 4, 2026, he is the Mark Sims referred to in the foregoing document entitled "Affidavit of Mark Sims on Behalf of PJM Interconnection, L.L.C.," that he has read the same and is familiar with the contents thereof, and that the testimony set forth therein is true and correct to the best of his knowledge, information, and belief.



/s/ Mark Sims

Mark Sims

Sr. Manager, Long-Term and Interregional
Transmission Planning
PJM Interconnection, L.L.C.

State of Pennsylvania

County of Montgomery

On this, the 4th day of June, 2026,

before me Christina Stotesbury, the undersigned officer,

personally appeared Mark Sims,

known to me (or satisfactorily proved) to be the person whose name is subscribed to within the instrument and acknowledged that he executed the same for the purposes therein contained.

In whiteness whereof, I hereunto set my hand and official seal.



My commission expires March 18, 2028

