Environmental Resources and Energy Committee

Pennsylvania Senate

Stephen Bennett

Sr. Manager, Governmental Services

April 28, 2026

PJM Value Proposition

~$5 billion
annual savings produced

$1.4 billion
Reliability

$1.25 billion
Generation Investment

$1.1 billion
Integration of More Efficient Resources

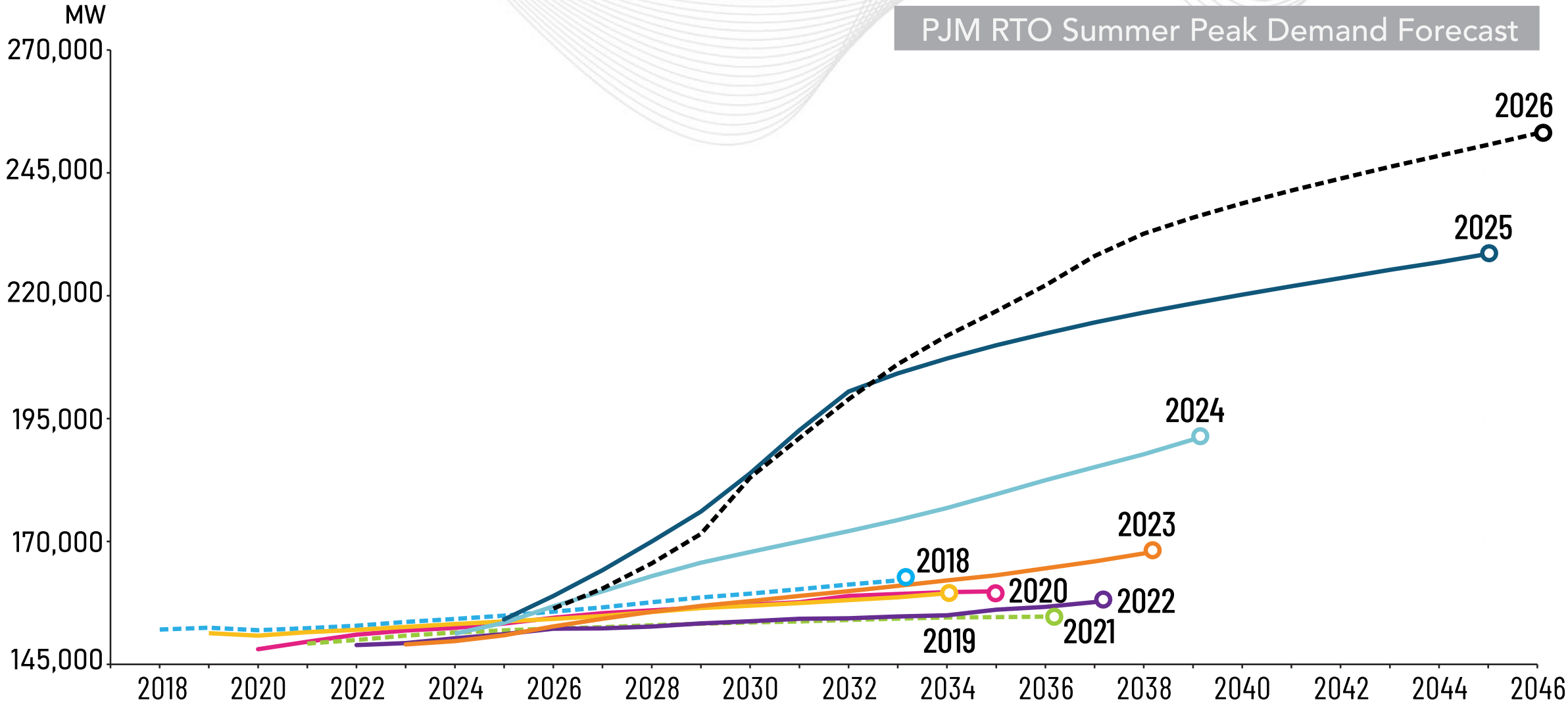
$990 million
Energy Production Costs

$265-$355 million/year
Demand Response Value

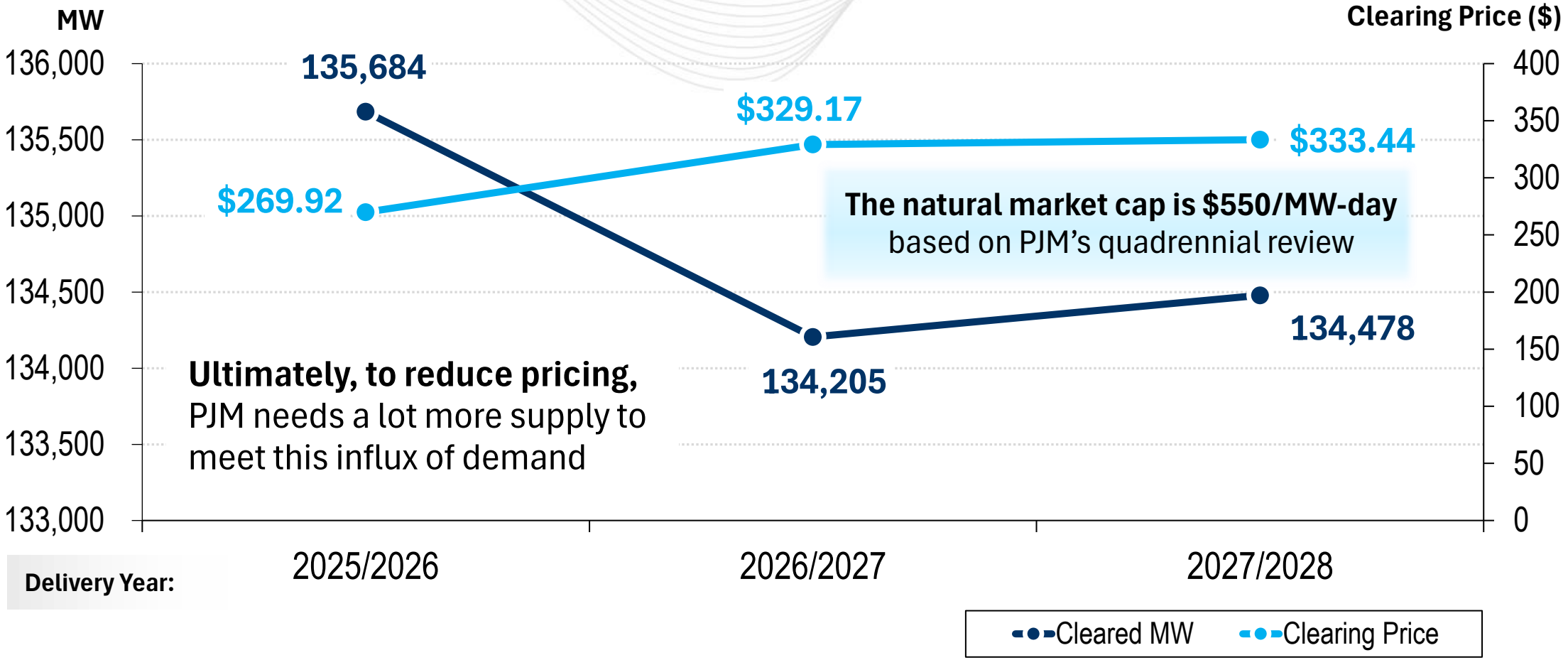
All numbers are estimates.

Electricity Demand Growth

PJM RTO Summer Peak Demand Forecast



Recent Capacity Market Clearing Prices (UCAP)



Note: Cleared MW values include Annual and matched Seasonal Capacity Performance sell offers within the LDA.

PJM Board Decision on Large Load (Data Centers) Additions

Bring Your Own New Generation and Expedited Interconnection Track

Curtailment of Data Centers Not Bringing New Generation

Reliability Backstop Procurement

Significant Load Forecasting Improvements

Study on Market Incentives for New Supply

Capacity Market Price Cap and Floor

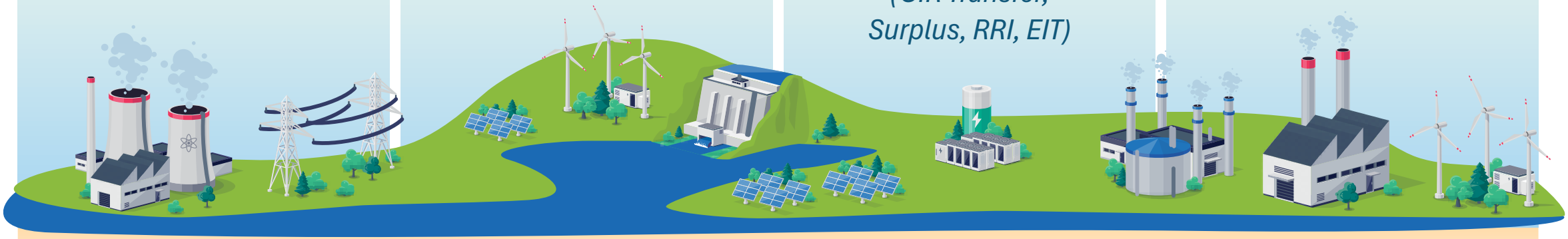
PJM's Generation Interconnection Queue

Queue Not Closed: 1-2 Year Turnaround Time to be Studied

Google AI to Further Expedite

Creation of On-Ramps to Go Quicker
(CIR Transfer, Surplus, RRI, EIT)

~57 GW Have Agreements

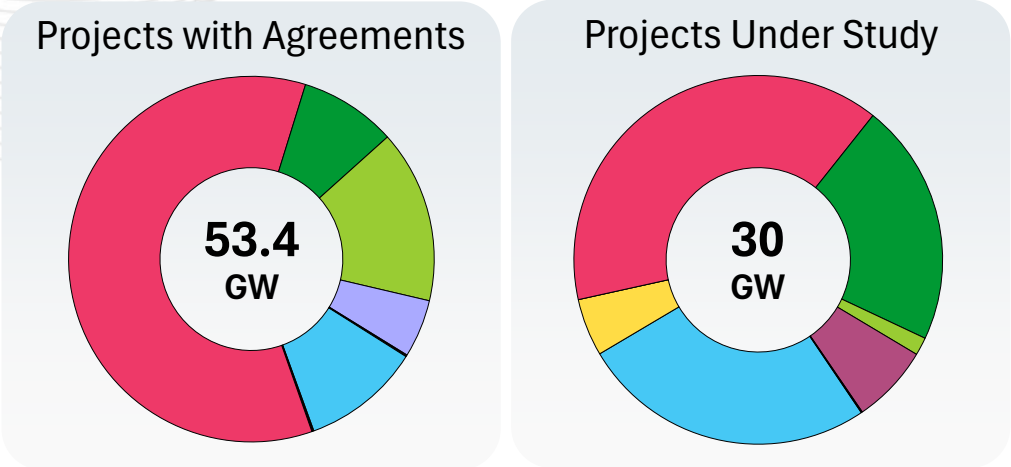


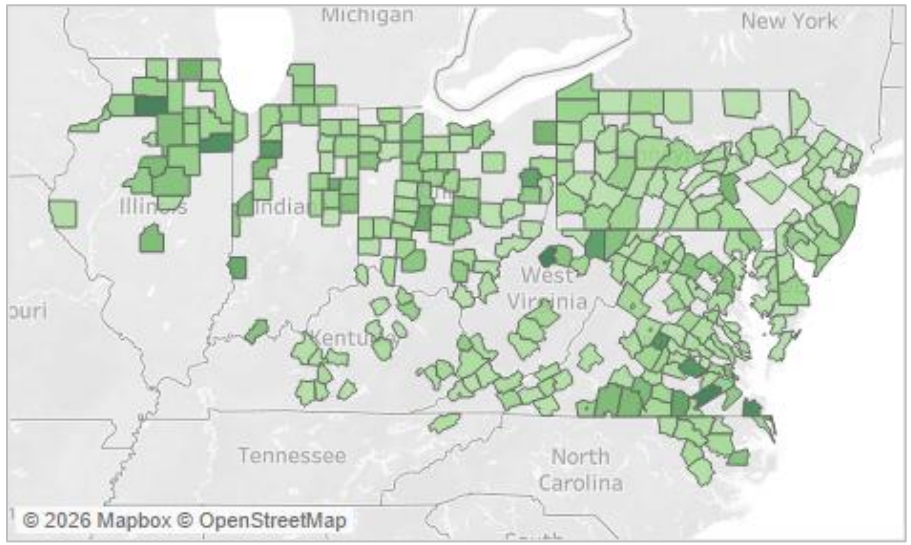
PJM has shifted from queue reform to delivery with faster study timelines, new on-ramps, and significant new supply already approved or connected.

Project Count:

Fuel	Agreements	Studies
Coal	1	1
Natural gas	16	36
Nuclear	1	5
Hydro	1	-
Solar	353	145
Storage	64	57
Wind	33	4
Hybrid	28	20
Other	1	2
Total	**498**	**270**

MW Breakdown:





Breakdown by State County:

10+ MW

2,000+ MW

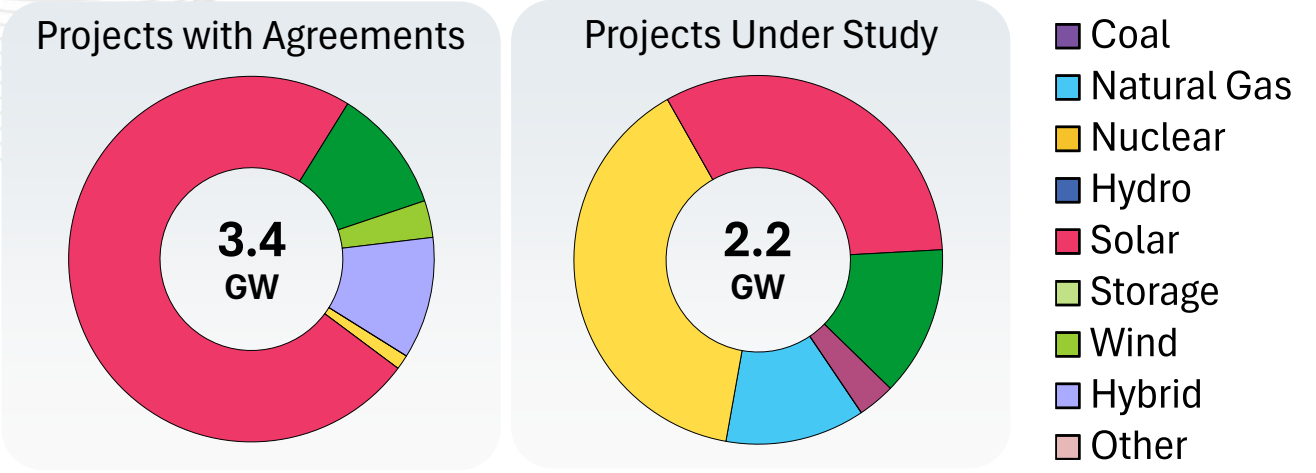
As of March 31, 2026

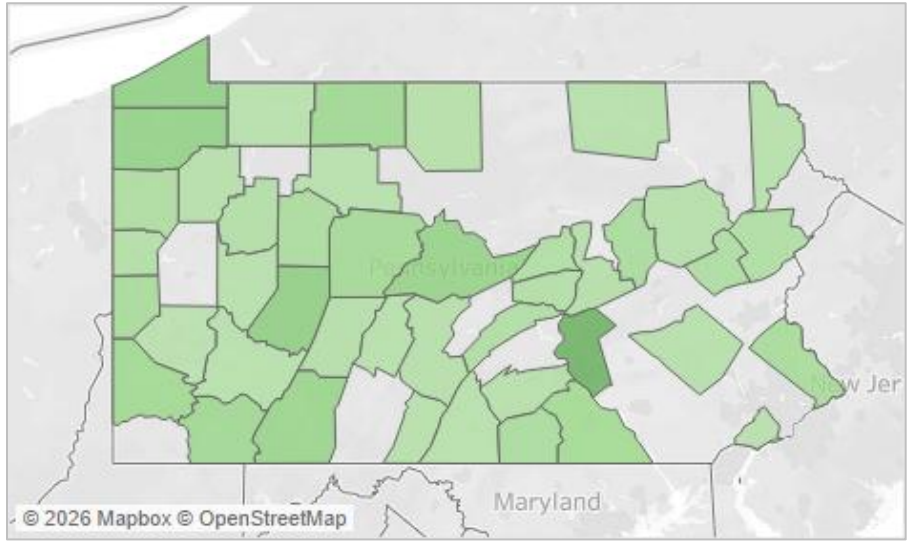
Pennsylvania

Project Count:

Fuel	Agreements	Studies
Coal	-	-
Natural gas	-	1
Nuclear	1	1
Hydro	-	-
Solar	77	18
Storage	5	3
Wind	1	1
Hybrid	7	2
Other	-	-
Total	**91**	**26**

MW Breakdown:





Breakdown by State County:

10+ MW

2,000+ MW

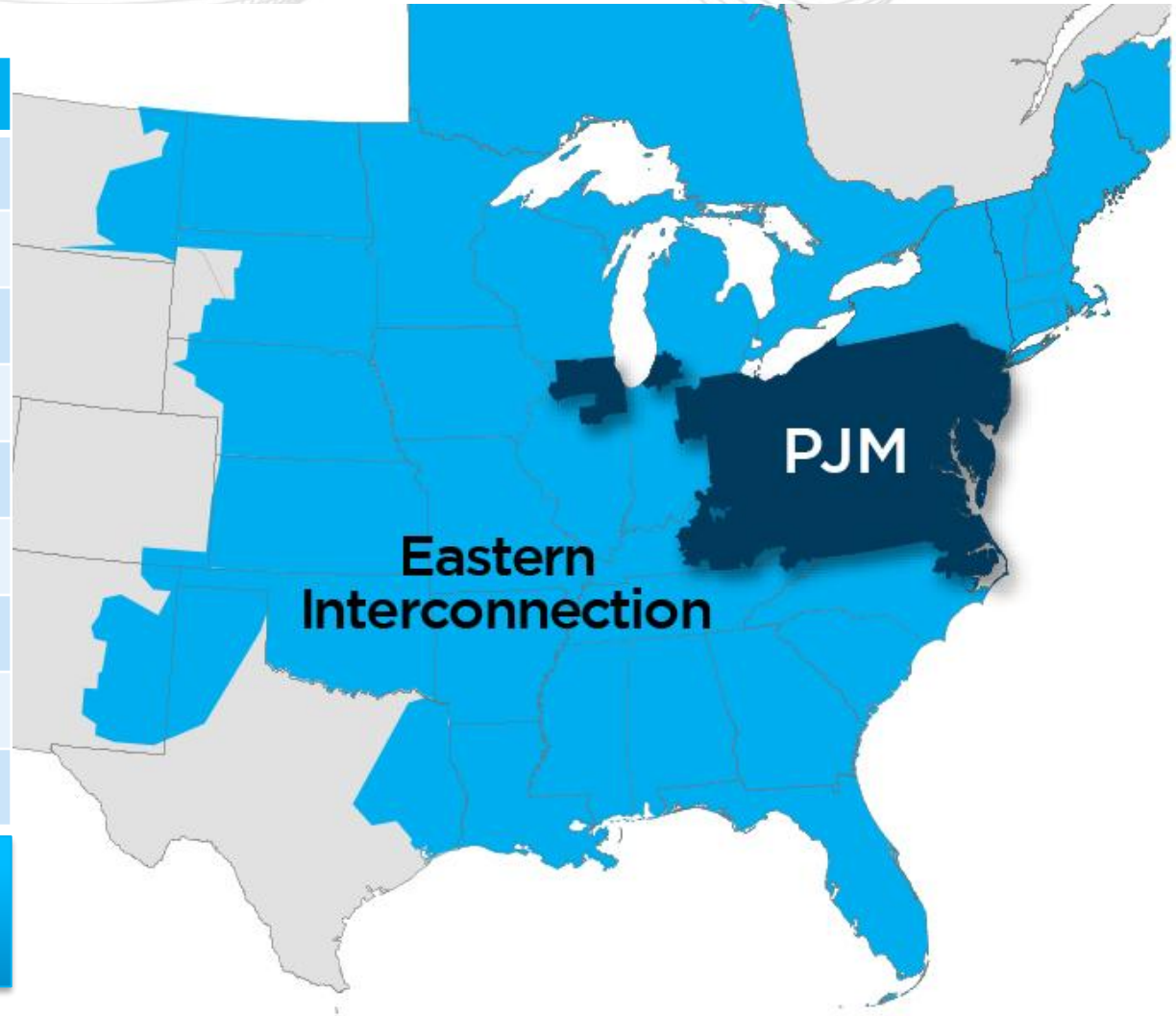
As of March 31, 2026

Additional Data and Information

PJM as Part of the Eastern Interconnection

Key Statistics	
Member companies	1,116
Millions of people served	67+
Peak load in megawatts	165,563
Megawatts of generating capacity	185,989
Miles of transmission lines (Bulk Electric System)	88,417
Gigawatt hours of annual energy	828,161
Generation sources	1,673
Square miles of territory	368,906
States served	13 + DC

- 25.6% of generation in Eastern Interconnection
- 25.2% of load in Eastern Interconnection



As of 2/2026

PJM Evolution

Joined in 1927

Joined in 1956

Joined in 1965

Joined in 1981

Joined in 2002

Joined in 2004

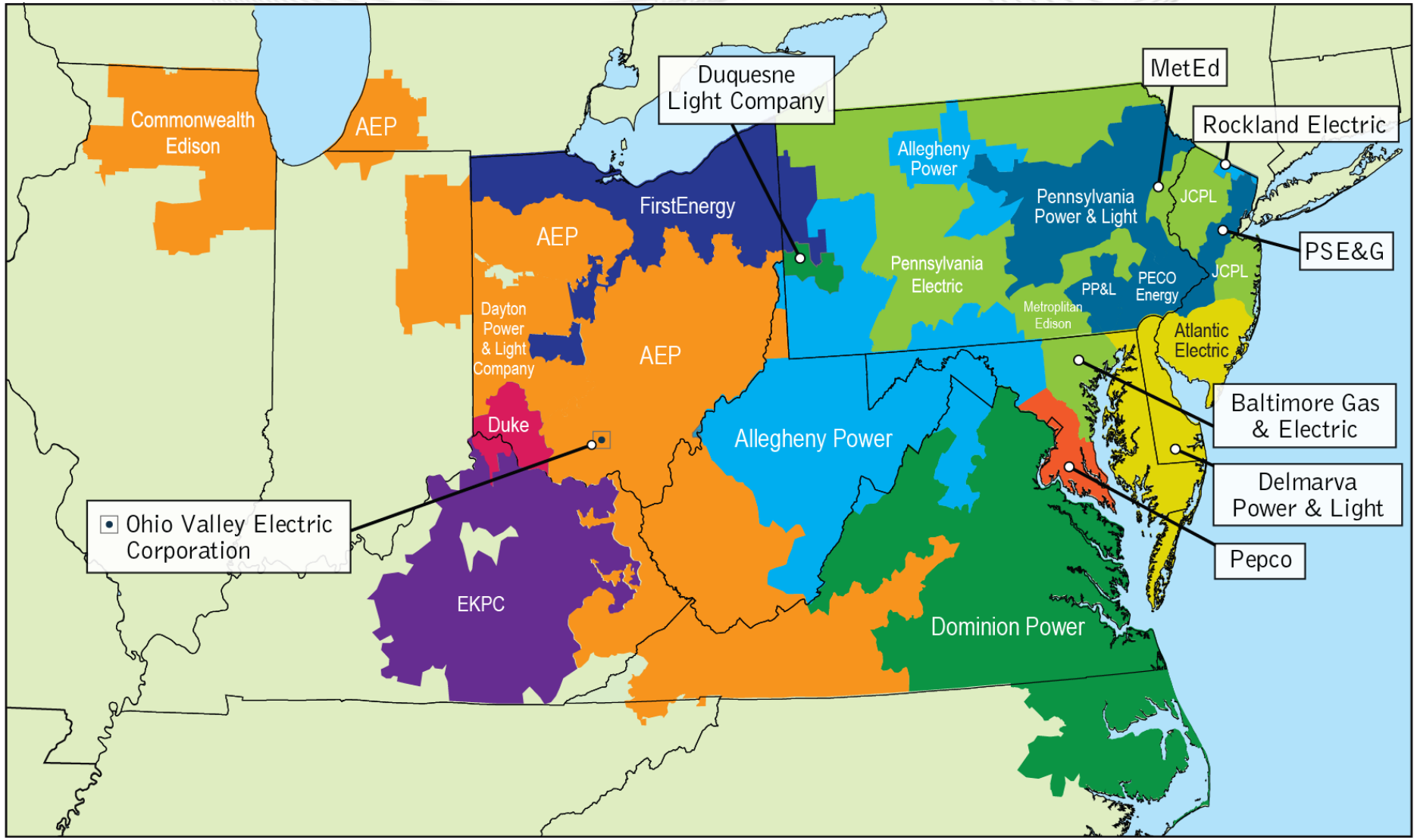
Joined in 2005

Joined in 2011

Joined in 2012

Joined in 2013

Joined in 2018



PJM The Organization

Operates As A Non-Profit
No Shareholders or Share Price
Federally Regulated (FERC)
Independent Board
Market Monitor
Mission-Driven

Capacity vs. Energy

CAPACITY	Product:
• A commitment of a resource to provide energy, particularly during PJM emergencies • Capacity revenues paid to committed resource whether or not energy is produced by resource.	Daily
ENERGY	
• Generation of electrical power over a period of time • Energy revenues paid to resource based on participation in PJM's Day-Ahead & Real-Time Energy markets	Hourly

Think of capacity like a parking lot. A business includes enough parking to accommodate customers at its busiest times, but on a typical day, many spaces remain empty.

Capacity, energy & ancillary services revenues are expected, in the long term, to provide generation resources with the opportunity to recover fixed and variable costs to ensure that adequate generation is maintained for reliability of the electric grid.

Generator Interconnection Improvements

Expedited Interconnection Track

- Involve a new generation facility or increased capacity at an existing resource
- Offer of at least 250 MW of accredited unforced capacity
- Be supported by a commitment from its primary siting authority
- Achieve commercial operation within three years
- Limited to 10 projects per calendar year for 2 years

In place by August 2026

Curtailment of Data Centers in Emergency Conditions

Connect and Manage

- Implement process that identifies pre-emergency demand response requirement in zones where forecasted demand is greater than supply.
- Recommends that data centers that fail to procure adequate supply (bring your own new generation – BYONG) receive curtailment directives before other customers.
- Data centers could use backup generators in response to curtailment directive.

In place by end of 2026

Reliability Backstop Procurement

- Immediately initiated stakeholder process to obtain input and solicit proposals.
- Backstop procurement must specify price, term and quantity as core award parameters – all, including cost allocation – are TBD.
- States committed to allocating costs to data centers in White House / Governors' Principles statement.
- Backstop process expected to commence this year.

PJM published initial proposal

Load Forecasting Improvements

Significant Load Forecasting Improvements

- Opportunity for state utility commission review
- Developer identification of duplicative load interconnection project requests
- Additional third-party, industry-specific top-down review of projections
- Require NDAs with utilities to allow for data sharing with PJM
- Near-term large loads only included if they have a demonstrated financial commitment

In place for 2027 Load Forecast

Holistic Review of Market Incentives

- Undertake a focused review of the capacity market to ensure it is sufficient for signaling investment needs.
- Continue energy market reform efforts and coordinate outcomes with the capacity market review.
- Ensure that energy, capacity and ancillary markets provide sufficient revenues to maintain investments and incent appropriate performance.

Conduct analysis in first half of 2026.

Capacity Auction – Price Cap and Floor

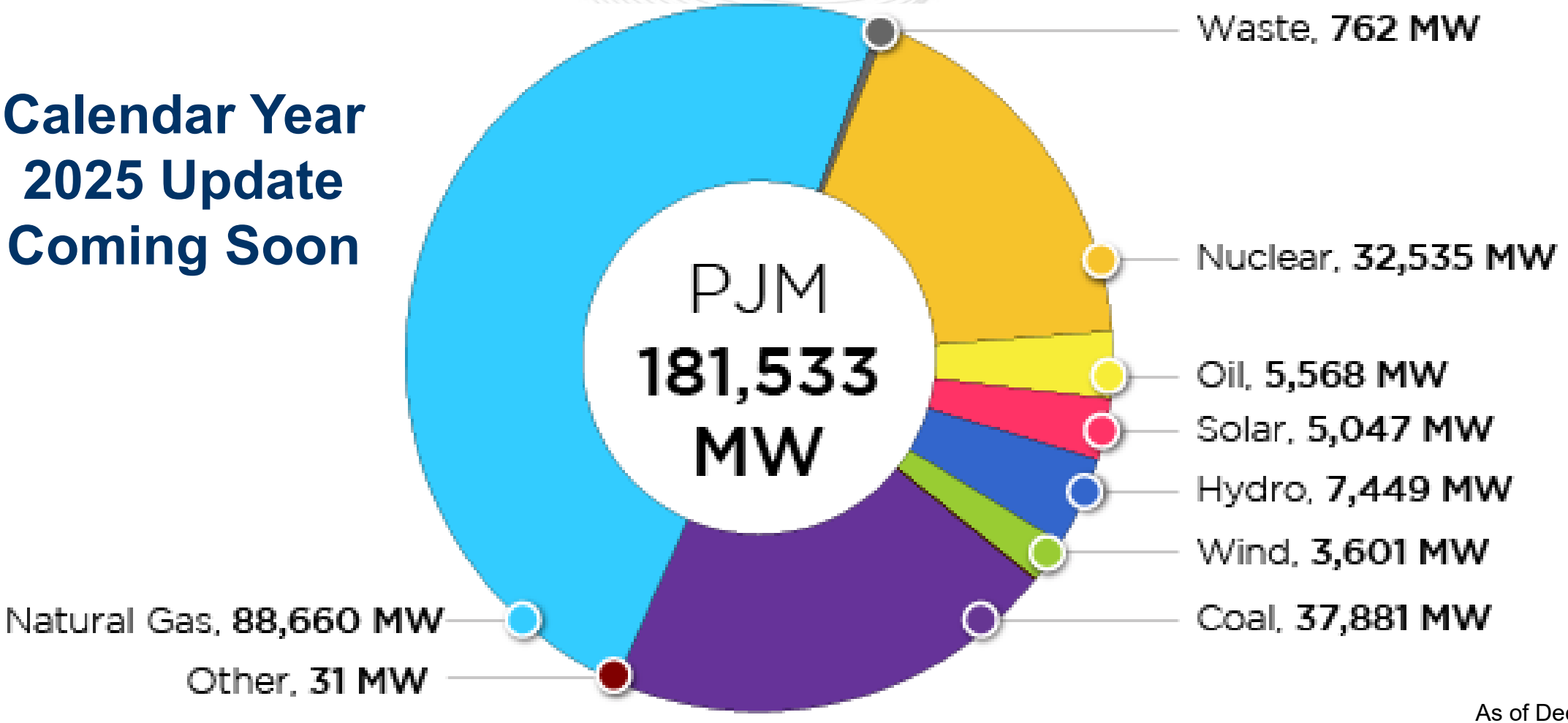
Extend Existing Price Cap and Floor

- For 2028/2029 and 2029/2030 Base Residual Auctions
- Filed with Federal Energy Regulatory Commission (FERC)

In place through mid-2030 with FERC approval

PJM Existing Installed Capacity Mix
(Capacity Interconnection Rights)

Calendar Year 2025 Update Coming Soon

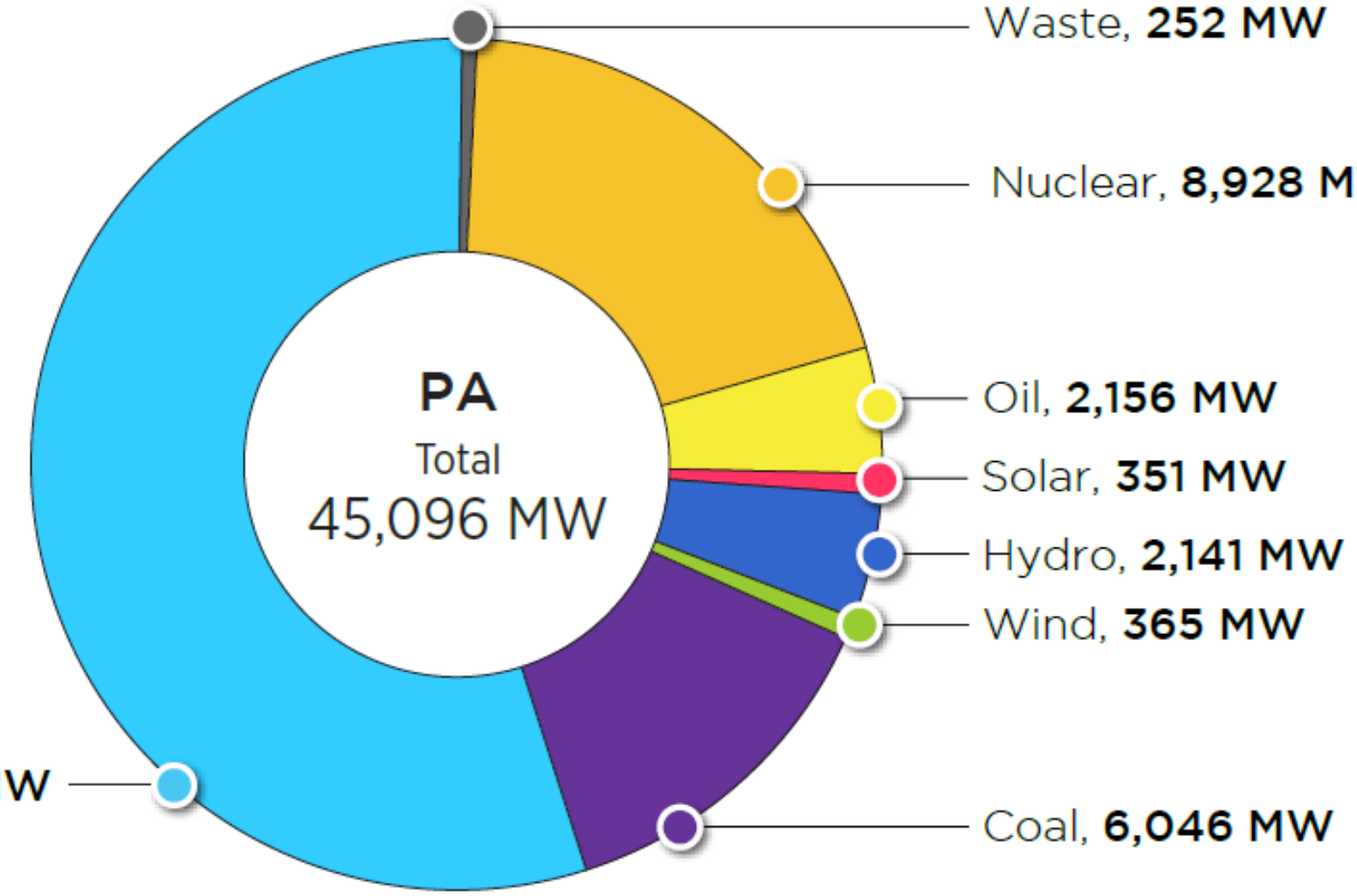


As of Dec 31, 2024

Pennsylvania – Existing Installed Capacity (MW) by Fuel Type

(CIRs- as of Dec. 31, 2024)

Calendar Year 2025 Update Coming Soon



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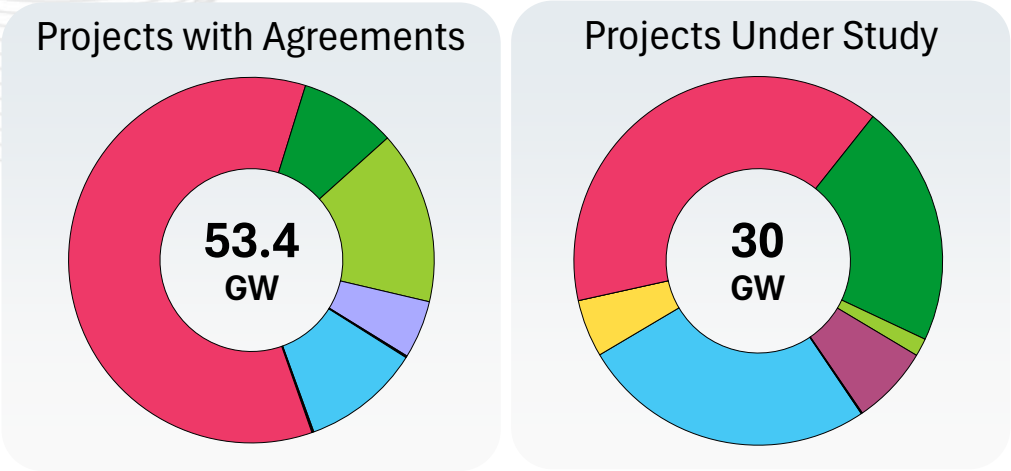
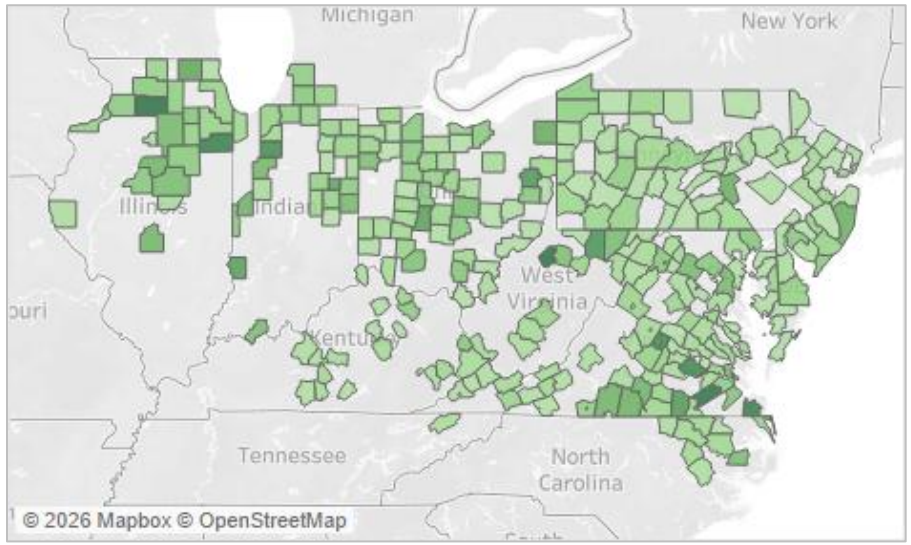
MW Breakdown:





Breakdown by State County:

10+ MW

2,000+ MW

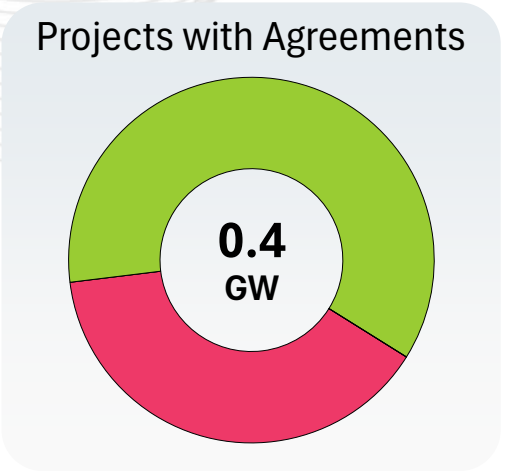
As of March 31, 2026

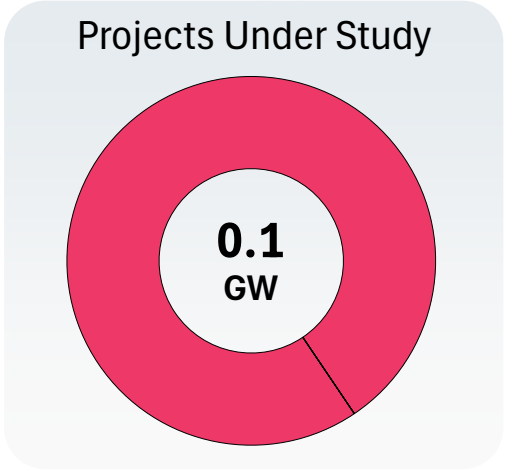
Delaware

Project Count:

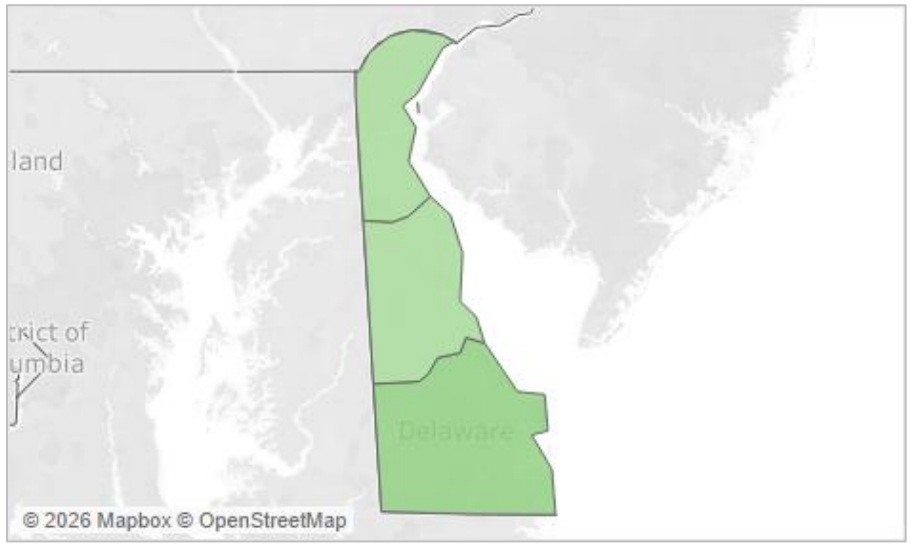
Fuel	Agreements	Studies
Coal	-	-
Natural gas	-	-
Nuclear	-	-
Hydro	-	-
Solar	9	2
Storage	-	-
Wind	2	-
Hybrid	-	-
Other	-	-
Total	**11**	**2**

MW Breakdown:





- Coal
- Natural Gas
- Nuclear
- Hydro
- Solar
- Storage
- Wind
- Hybrid
- Other



Breakdown by State County:

10+ MW

2,000+ MW

As of March 31, 2026

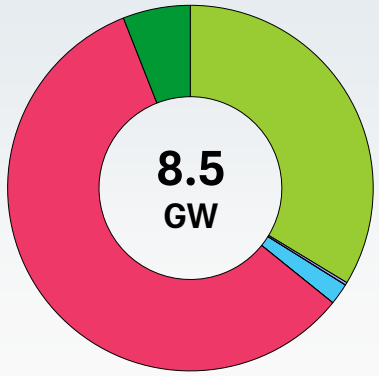
Illinois

Project Count:

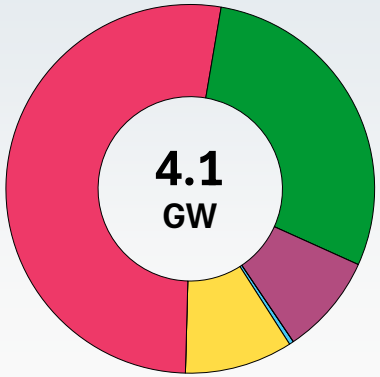
Fuel	Agreements	Studies
Coal	-	-
Natural gas	2	2
Nuclear	-	3
Hydro	-	-
Solar	31	12
Storage	9	9
Wind	13	-
Hybrid	1	3
Other	-	-
Total	**56**	**29**

MW Breakdown:

Projects with Agreements



Projects Under Study



- Coal
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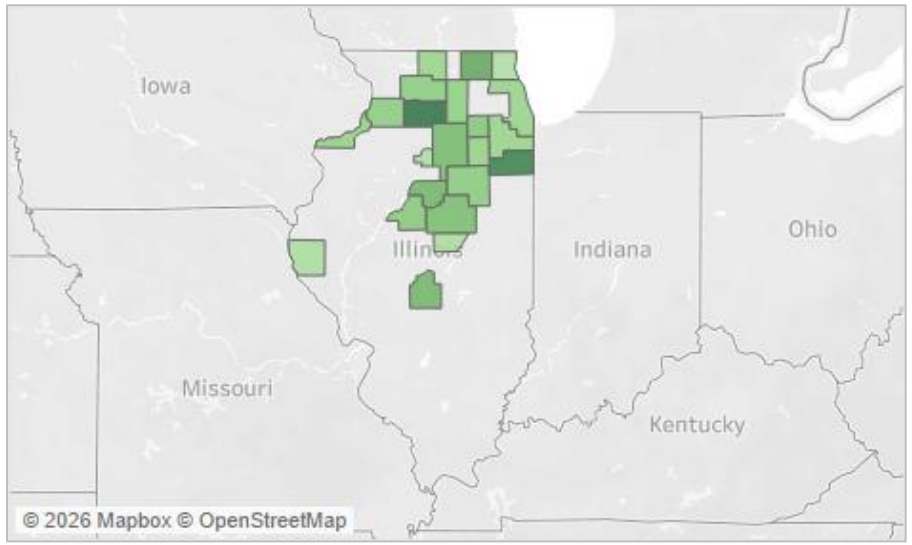
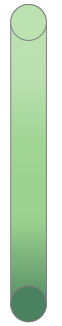
- Nuclear
- Hydro
- Solar
- Storage
- Wind
- Hybrid
- Other



Breakdown by State County:



As of March 31, 2026

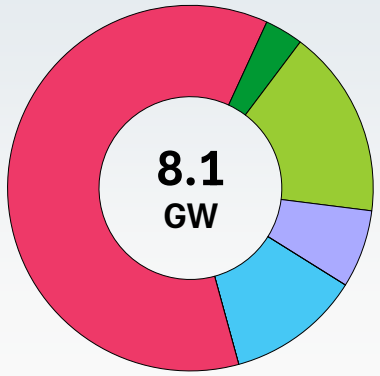
Indiana

Project Count:

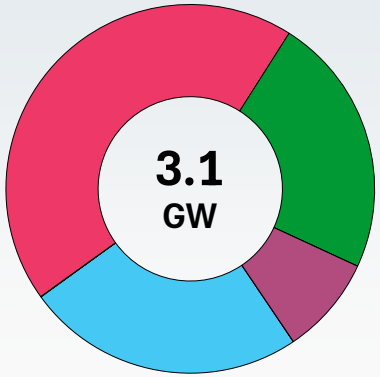
Fuel	Agreements	Studies
Coal	-	-
Natural gas	2	2
Nuclear	-	-
Hydro	-	-
Solar	32	15
Storage	5	10
Wind	8	-
Hybrid	4	4
Other	-	-
Total	**51**	**31**

MW Breakdown:

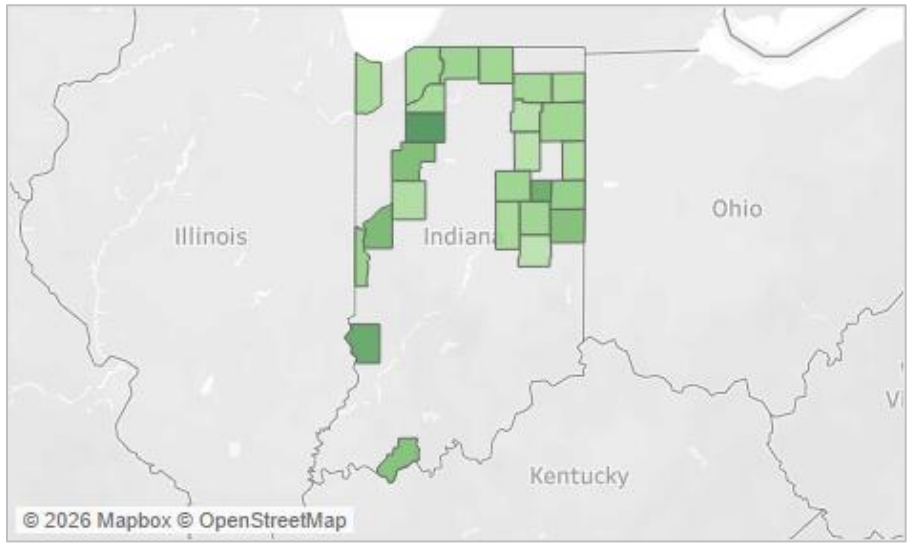
Projects with Agreements



Projects Under Study



- Coal
- Natural Gas
- Nuclear
- Hydro
- Solar
- Storage
- Wind
- Hybrid
- Other



Breakdown by State County:

10+ MW

2,000+ MW

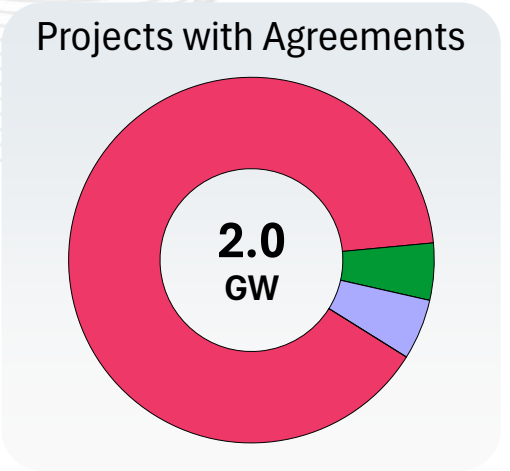
As of March 31, 2026

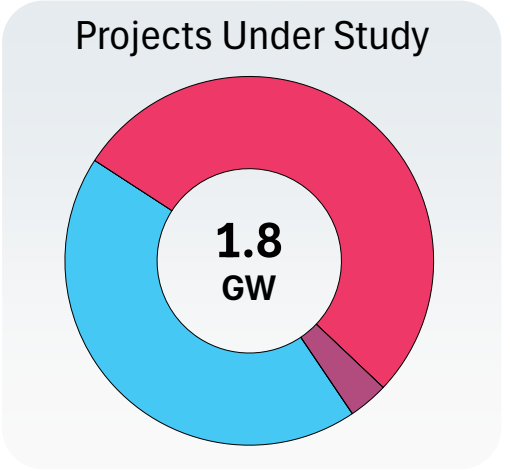
Kentucky

Project Count:

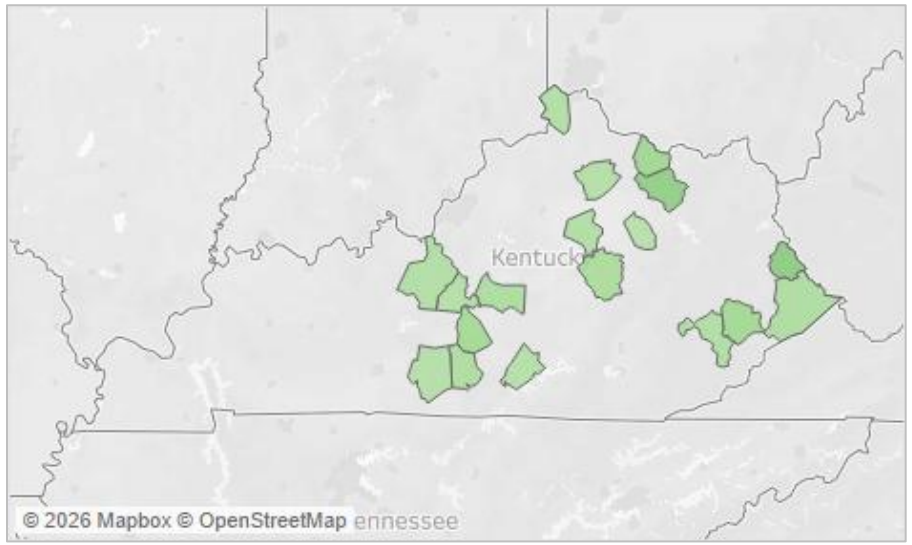
Fuel	Agreements	Studies
Coal	-	-
Natural gas	-	1
Nuclear	-	-
Hydro	-	-
Solar	17	12
Storage	1	-
Wind	-	-
Hybrid	1	1
Other	-	-
Total	**19**	**14**

MW Breakdown:





Coal
Natural Gas
Nuclear
Hydro
Solar
Storage
Wind
Hybrid
Other



Breakdown by State County:

10+ MW

2,000+ MW

As of March 31, 2026

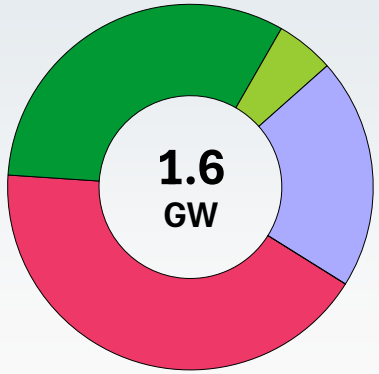
Maryland

Project Count:

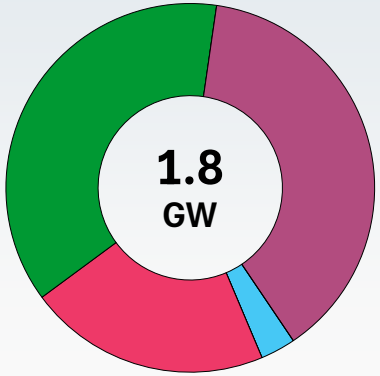
Fuel	Agreements	Studies
Coal	-	-
Natural gas	-	1
Nuclear	-	-
Hydro	-	-
Solar	9	4
Storage	1	3
Wind	1	-
Hybrid	4	1
Other	-	-
Total	**15**	**9**

MW Breakdown:

Projects with Agreements



Projects Under Study



- Coal
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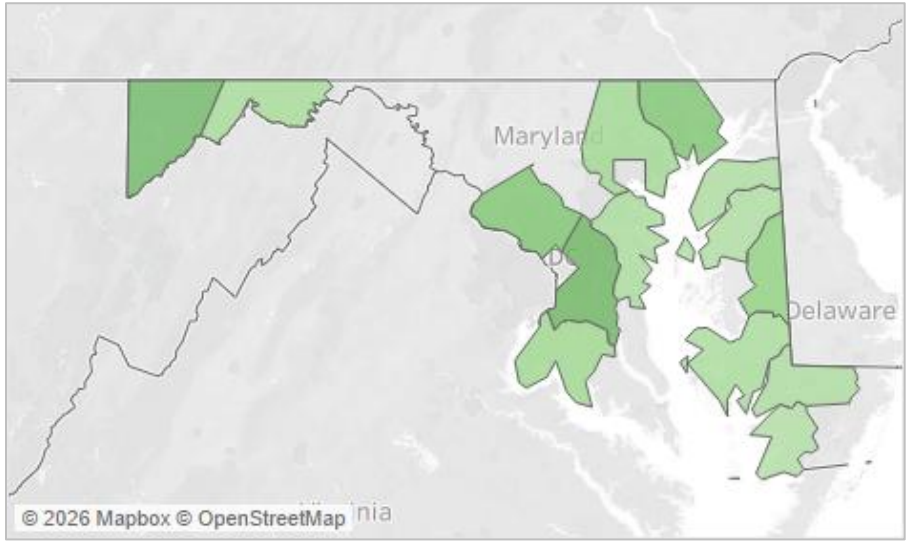
- Nuclear
- Hydro
- Solar
- Storage
- Wind
- Hybrid
- Other



Breakdown by State County:

10+ MW

2,000+ MW

As of March 31, 2026

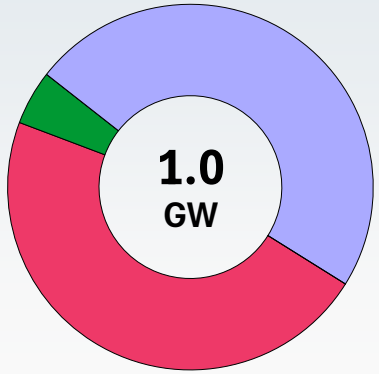
Michigan

Project Count:

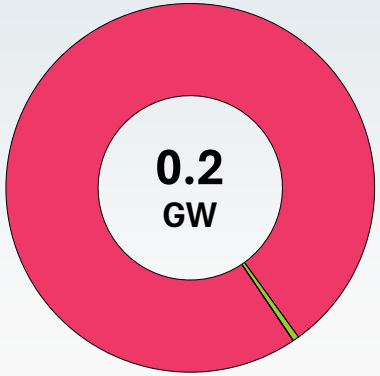
Fuel	Agreements	Studies
Coal	-	-
Natural gas	-	-
Nuclear	-	-
Hydro	-	-
Solar	4	1
Storage	2	-
Wind	-	-
Hybrid	2	-
Other	-	-
Total	**8**	**1**

MW Breakdown:

Projects with Agreements



Projects Under Study



- Coal
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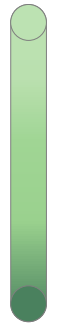
- Hydro
- Solar
- Storage
- Wind
- Hybrid
- Other

Breakdown by State County:



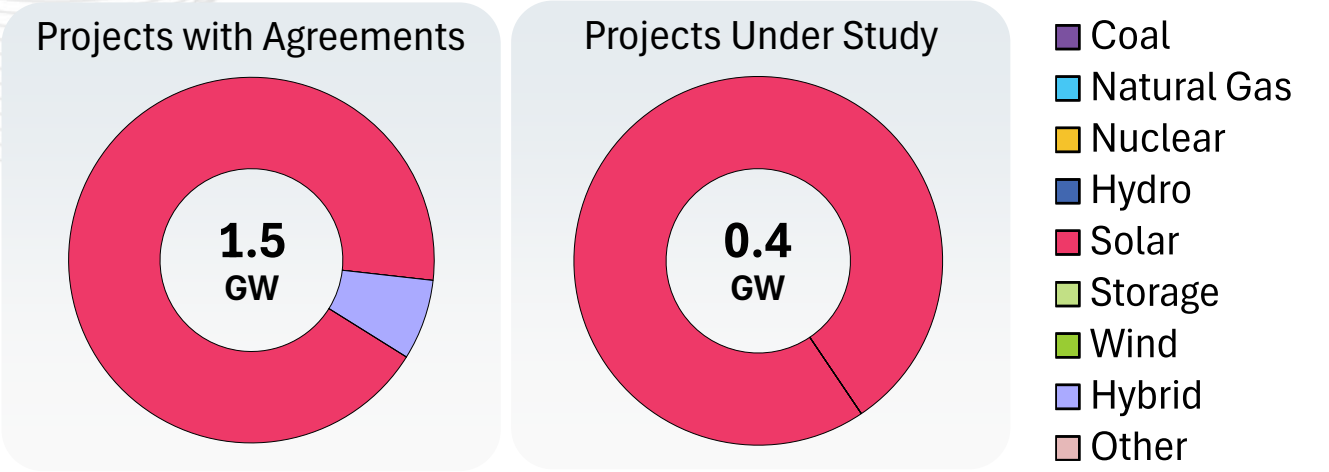
As of March 31, 2026

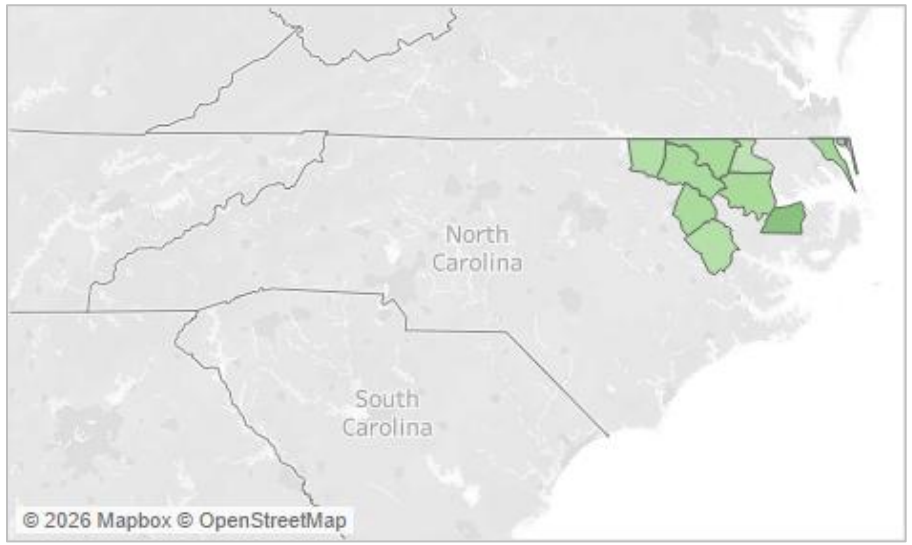
North Carolina

Project Count:

Fuel	Agreements	Studies
Coal	-	-
Natural gas	-	-
Nuclear	-	-
Hydro	-	-
Solar	14	6
Storage	-	3
Wind	-	-
Hybrid	2	-
Other	-	-
Total	**16**	**9**

MW Breakdown:





Breakdown by State County:

10+ MW

2,000+ MW

As of March 31, 2026

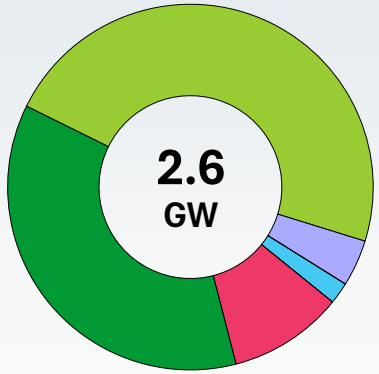
New Jersey

Project Count:

Fuel	Agreements	Studies
Coal	-	-
Natural gas	1	4
Nuclear	-	1
Hydro	-	-
Solar	11	10
Storage	12	1
Wind	2	-
Hybrid	2	-
Other	-	-
Total	**28**	**16**

MW Breakdown:

Projects with Agreements



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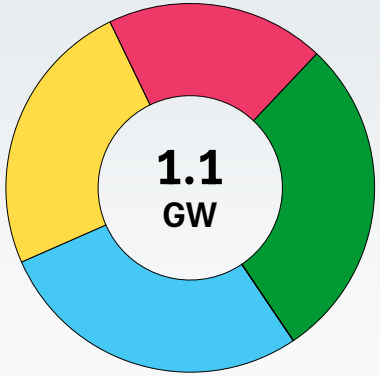

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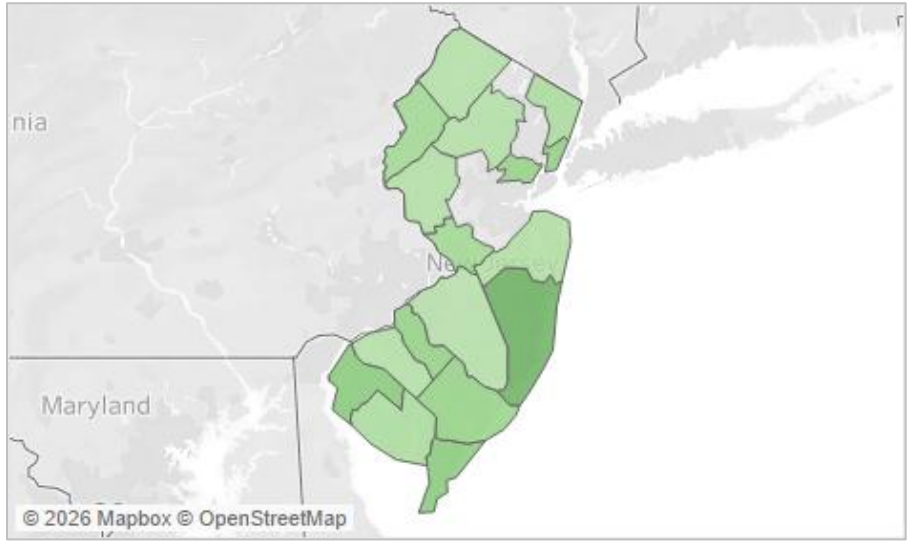

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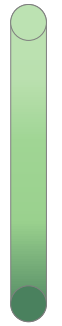


As of March 31, 2026

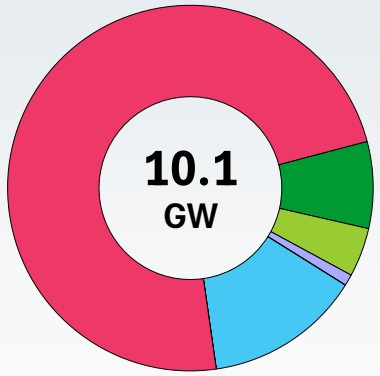
Ohio

Project Count:

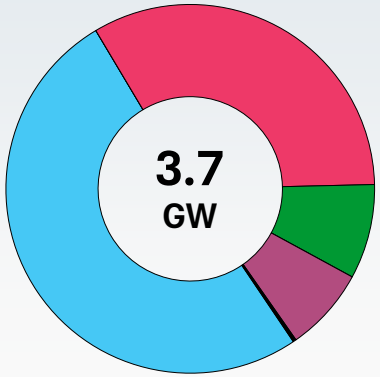
Fuel	Agreements	Studies
Coal	-	-
Natural gas	5	7
Nuclear	-	-
Hydro	-	-
Solar	69	17
Storage	11	5
Wind	2	-
Hybrid	1	3
Other	-	1
Total	**88**	**33**

MW Breakdown:

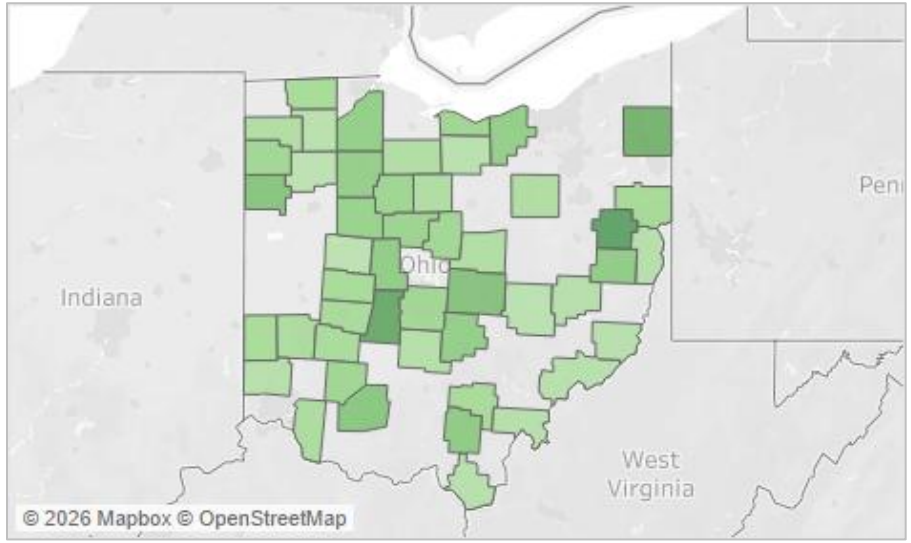
Projects with Agreements



Projects Under Study



- Coal
- Natural Gas
- Nuclear
- Hydro
- Solar
- Storage
- Wind
- Hybrid
- Other



Breakdown by State County:

10+ MW

2,000+ MW

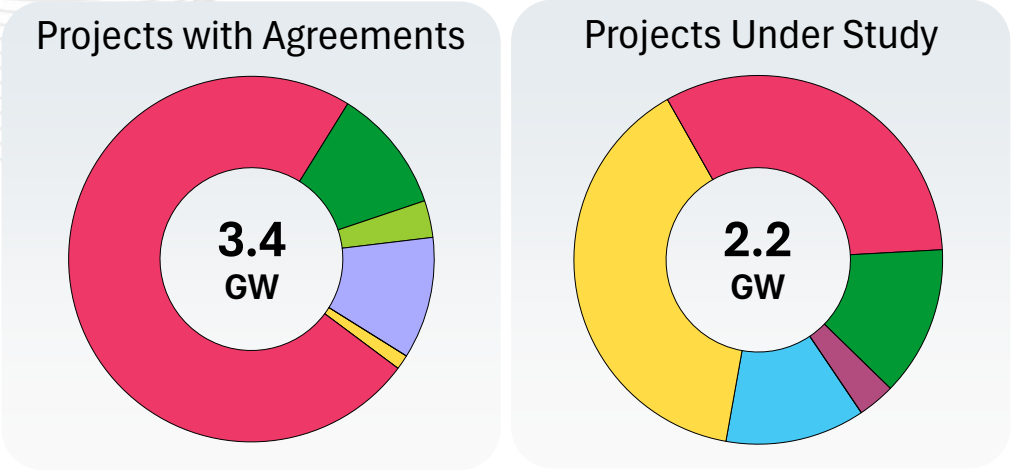
As of March 31, 2026

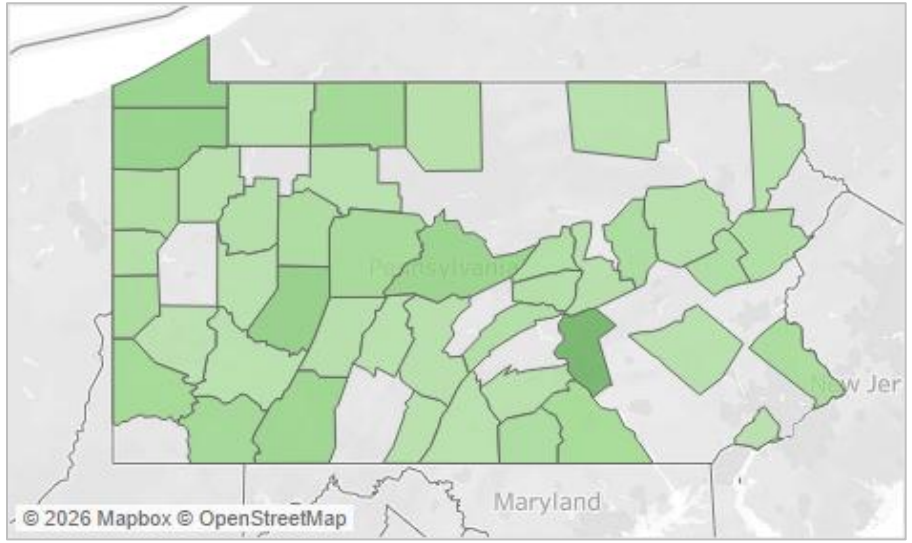
Pennsylvania

Project Count:

Fuel	Agreements	Studies
Coal	-	-
Natural gas	-	1
Nuclear	1	1
Hydro	-	-
Solar	77	18
Storage	5	3
Wind	1	1
Hybrid	7	2
Other	-	-
Total	**91**	**26**

MW Breakdown:





Breakdown by State County:

10+ MW

2,000+ MW

As of March 31, 2026

Tennessee

Project Count:

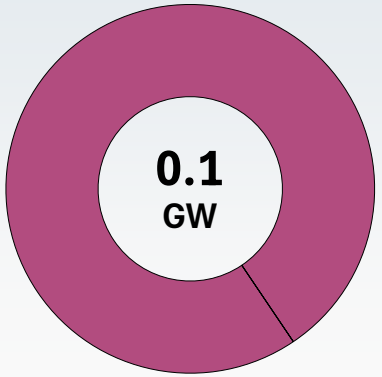
Fuel	Agreements	Studies
Coal	-	-
Natural gas	-	-
Nuclear	-	-
Hydro	-	-
Solar	-	-
Storage	-	-
Wind	-	-
Hybrid	-	1
Other	-	-
Total	-	1

MW Breakdown:

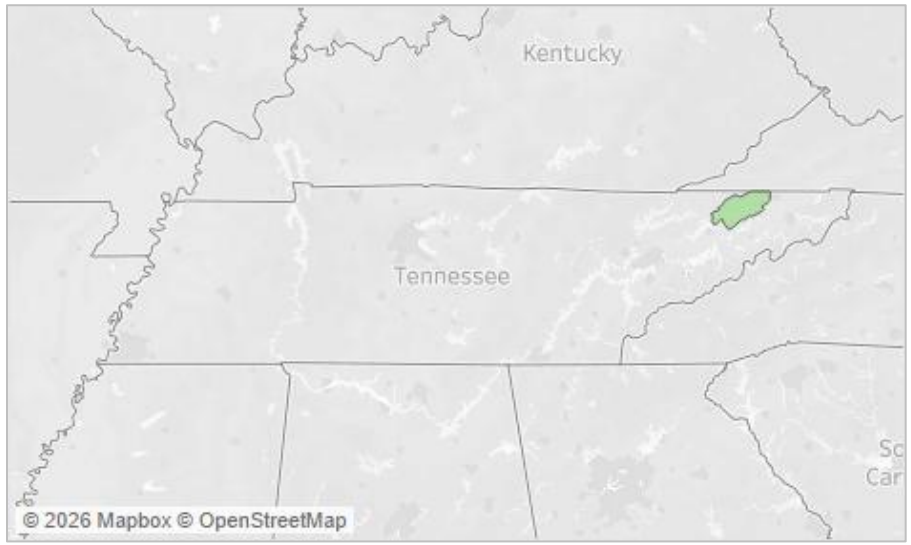
Projects with Agreements

0.0 GW

Projects Under Study



- Coal
- Natural Gas
- Nuclear
- Hydro
- Solar
- Storage
- Wind
- Hybrid
- Other



Breakdown by State County:

10+ MW

2,000+ MW

As of March 31, 2026

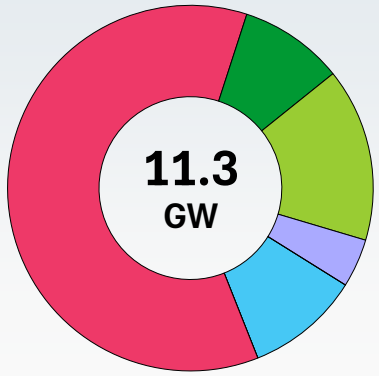
Virginia

Project Count:

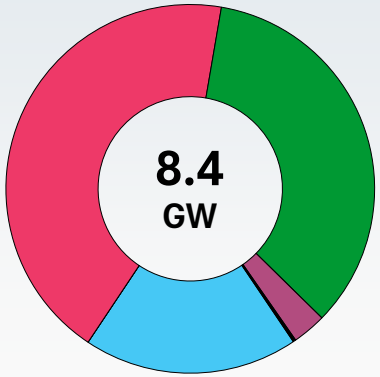
Fuel	Agreements	Studies
Coal	-	-
Natural gas	2	17
Nuclear	-	-
Hydro	-	-
Solar	73	43
Storage	18	23
Wind	3	-
Hybrid	3	5
Other	-	1
Total	99	89

MW Breakdown:

Projects with Agreements



Projects Under Study



- Coal
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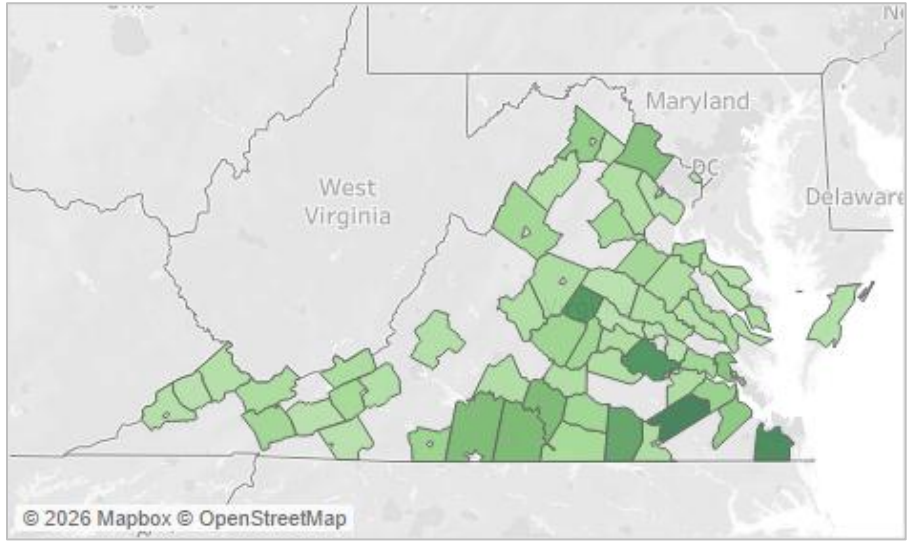
- Nuclear
- Hydro
- Solar
- Storage
- Wind
- Hybrid
- Other



Breakdown by State County:

10+ MW

2,000+ MW

As of March 31, 2026

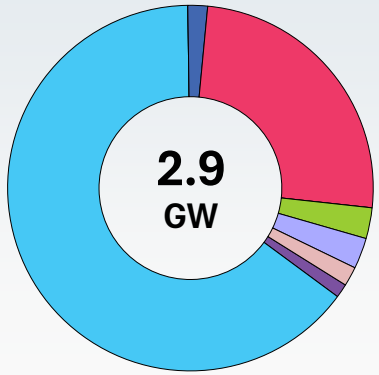
West Virginia

Project Count:

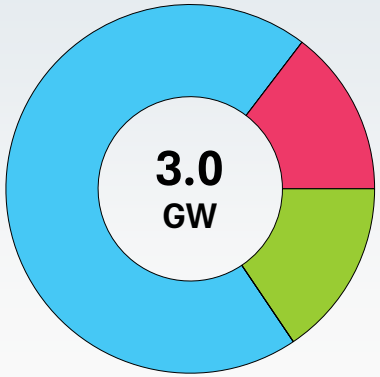
Fuel	Agreements	Studies
Coal	1	1
Natural gas	4	1
Nuclear	-	-
Hydro	1	-
Solar	7	5
Storage	-	-
Wind	1	3
Hybrid	1	-
Other	1	-
Total	**16**	**10**

MW Breakdown:

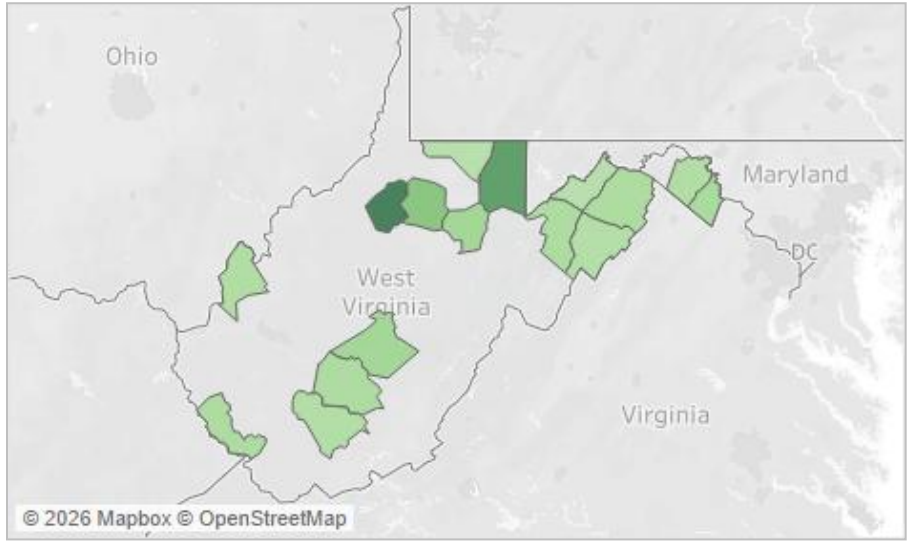
Projects with Agreements



Projects Under Study



- Coal
- Natural Gas
- Nuclear
- Hydro
- Solar
- Storage
- Wind
- Hybrid
- Other



Breakdown by State County:

10+ MW

2,000+ MW

As of March 31, 2026

Affordability Concerns - Retail Related Recommendations

PJM Recommendations

Retail Cost Allocation

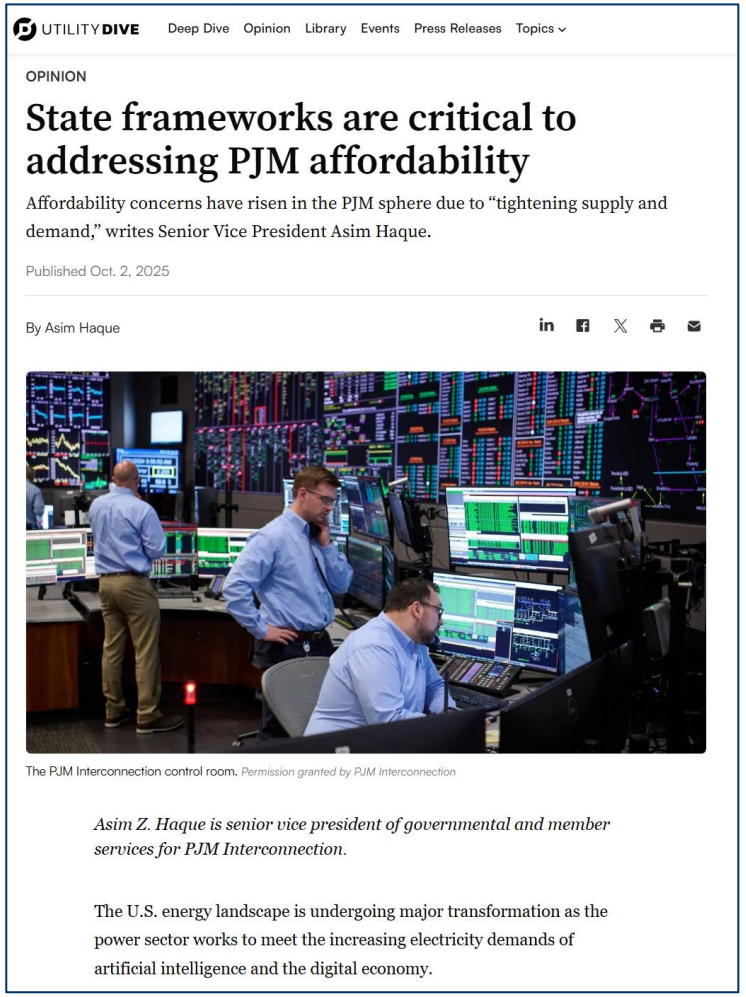
States ultimately have control over how costs are allocated to the various customer classes in utility tariffs. Costs can be allocated away from residential consumers and small businesses and toward other customer classes more directly driving the tightening supply-demand balance, including data centers. State programmatic rebates can be allocated to specific customer classes as well.

Data Center Entry Commitments

A number of our states are placing financial requirements and stricter entry commitments on data centers trying to connect through regulated utilities as a way to make sure that the data center is actually coming to that utility's service territory. This will, in turn, allow for utilities to submit more accurate data to PJM to better refine our load forecasts used on the wholesale side. Further, PJM is considering a period where states can review and provide feedback on requested large load additions in PJM's load forecast.

Default Service Procurement

Our restructured states are all utilizing default service procurement mechanisms to procure supply for consumers who are not shopping with a competitive retail supplier. It is worthwhile to analyze whether these procurement mechanisms are designed for a high-priced wholesale environment. In those states with especially low shopping statistics, consumers are deeply exposed to this high-capacity market price if default service procurement mechanisms are not designed to long-term hedge against that price.



UTILITY DIVE Deep Dive Opinion Library Events Press Releases Topics

OPINION

State frameworks are critical to addressing PJM affordability

Affordability concerns have risen in the PJM sphere due to "tightening supply and demand," writes Senior Vice President Asim Haque.

Published Oct. 2, 2025

By Asim Haque

The PJM Interconnection control room. *Permission granted by PJM Interconnection*

Asim Z. Haque is senior vice president of governmental and member services for PJM Interconnection.

The U.S. energy landscape is undergoing major transformation as the power sector works to meet the increasing electricity demands of artificial intelligence and the digital economy.

Affordability Concerns – Retail Related Recommendations

PJM Recommendations

Retail Shopping

Competitive suppliers may be able to offer better rates than what is being procured in default service auctions. This may be an opportunity for competitive suppliers, residential/small business consumers and state regulators to work collectively to enhance shopping while maintaining traditional consumer-protection oversight.

State Programs and the Total Bill

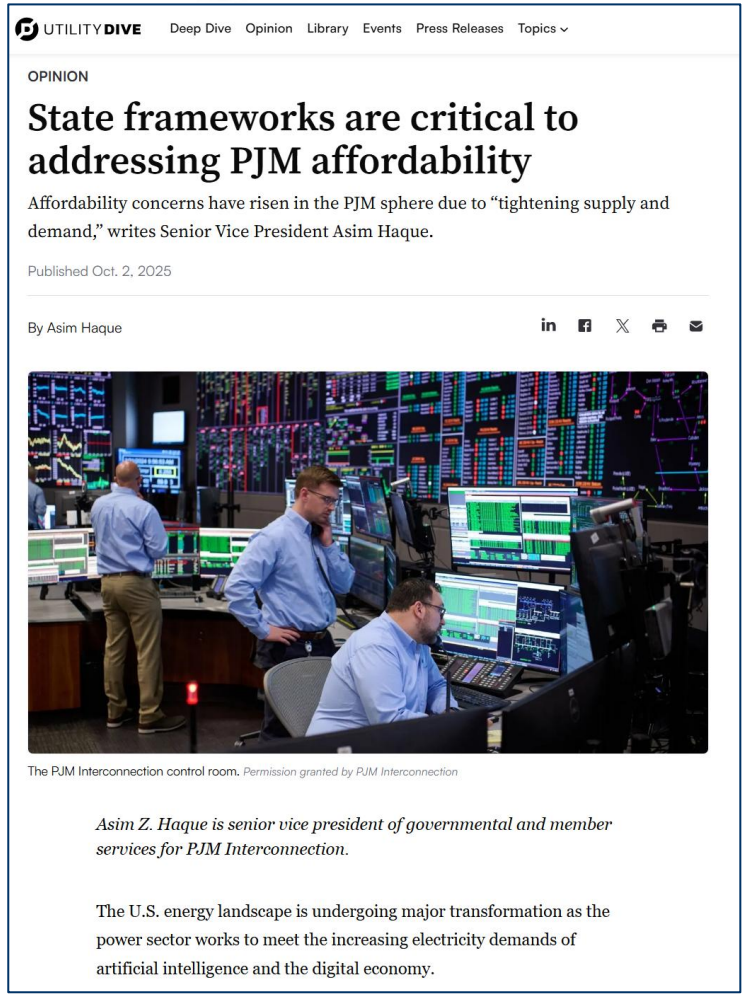
Knowing that the wholesale price for power will be higher in future years, the total bill can be analyzed to determine whether existing state programs that were initiated during times of lower wholesale pricing should continue, and again, if rebates should be allocated away from or to certain customer classes.

Demand Response and Energy Efficiency

Paying customers to reduce usage during system stress is a direct solution to reducing peak electricity demand. States can play a central role in developing and promoting robust demand response and energy efficiency programs.

Siting/Permitting

We need more energy infrastructure, both generation and transmission. States play a pivotal role in projects ultimately getting built through their siting/permitting processes. If energy infrastructure projects don't receive state permitting approvals, it won't matter how many projects PJM pushes through its generation interconnection queue.



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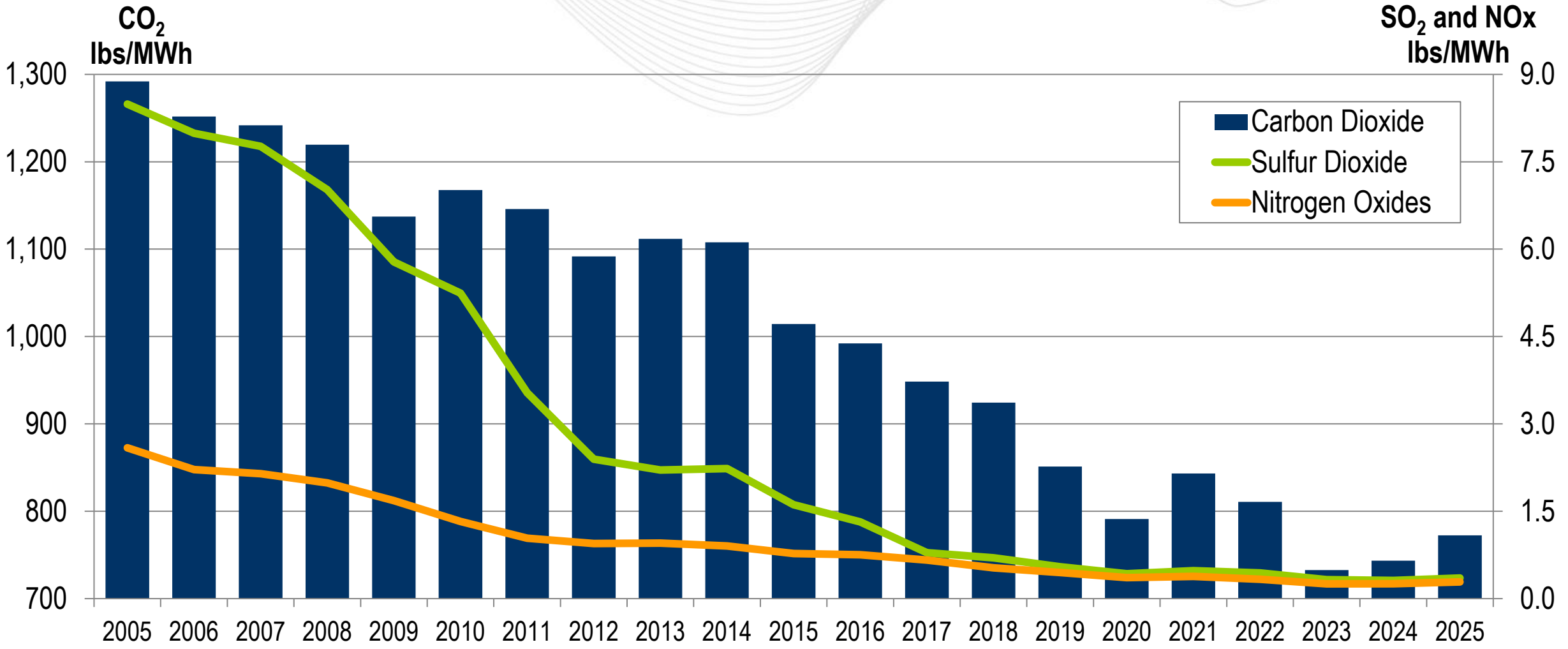
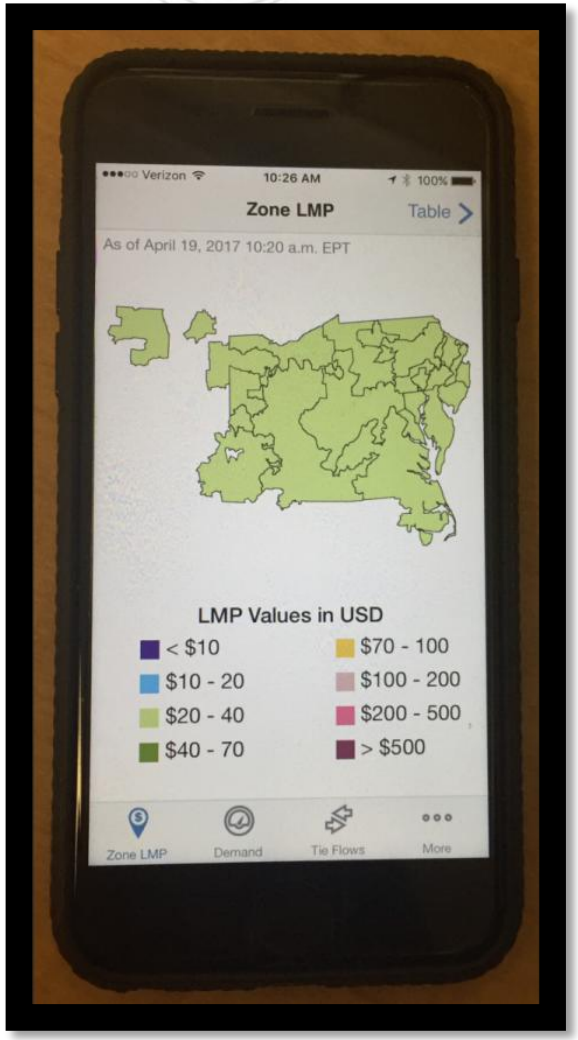
PJM System Average Emission Rates



PJM Now App Available



Contact

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Pennsylvania Senate Environmental Resources & Energy Committee Hearing

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