



National Caucus of
Environmental Legislators

July 15, 2024

The PJM Board of Managers
c/o Mark Takahashi, Chairman
c/o Manu Asthana, PJM President and CEO
PJM Interconnection L.L.C.
2750 Monroe Boulevard
Audubon, Pennsylvania 19408

RE: Implementation of FERC's rule on transmission planning and cost allocation

Dear Chairman Takahashi and the PJM Board of Managers,

As legislators from states in PJM's service territory, we are writing to urge PJM to work without delay to implement the new FERC Order No. 1920 regarding transmission planning. We view this rule, and PJM's effective implementation of it, as critical to our responsibility to ensure that our constituents have access to reliable, affordable and clean electricity. We are appreciative of PJM's efforts to date to address long term transmission planning and are supportive of PJM's recent decision to focus on implementation of Order No. 1920 and not move forward with the Long Term Regional Transmission Planning (LTRTP) process as originally conceived. We also believe that PJM can work on Order No. 1920 compliance while in parallel beginning compliant long term transmission scenario development. We look forward to working with PJM in implementing Order No. 1920 expeditiously.

Historically, PJM's transmission planning process has been inadequate to minimize costs, meet the needs of a growing and vibrant regional economy, and support the clean energy transition. The region faces several emerging and ongoing trends, all of which call for significant transmission investment. Electricity demand is growing, and ensuring sufficient transmission infrastructure to serve that demand is critical to economic growth. Extreme weather events and a shifting resource mix necessitate a more robust grid to maintain reliability. New affordable resources seeking to come online offer the potential to lower costs at a time when high prices make affordable rates more critical than ever. Several of our states have adopted climate and clean energy goals which will require much more of our energy to come from cleaner resources in the coming decades than is the case today. There is no time to waste in planning for the transmission system to support our future energy needs.

While PJM will not formally file a compliance plan with FERC until 2025, we believe there are several immediate actions PJM can take to expedite the process. PJM can build on the planning foundation developed for LTRTP and alter the LTRTP proposed scenario planning process to encompass the seven factors enumerated by Order No. 1920. The scenario planning process must also be altered to reflect the full list of benefits included in FERC's order. Perhaps most importantly, PJM can and should begin negotiating a cost allocation framework as mandated by

Order No. 1920. That process should be transparent and contain ample opportunity for decision makers at all levels of government to engage.

Given the challenges that PJM's grid is facing today, including rapid load growth and resource retirements, PJM should move swiftly to implement Order No. 1920. Order No. 1920 only makes transmission planning stronger by requiring agreement on cost allocation, requiring consideration of alternative transmission technologies, and – in a separate order – establishing backstop siting for transmission lines.

We urge PJM to begin the process of compliance with FERC Order No. 1920 as soon as possible. PJM can initiate a stakeholder process now, prior to compliance, to start gathering information on scenario assumptions and inputs. Such a stakeholder process can take significant time but does not need to wait for FERC approval to commence. The accelerating need for proactive grid planning in PJM only underscores the need to start engaging states and stakeholders *now* while pursuing compliance in parallel. We look forward to working with PJM's dedicated staff as they work to implement this crucial order.

Sincerely,

Maryland Delegate Lorig Charkoudian
(MD-20)

Illinois Representative Kelly Cassidy
(IL-14)

Illinois Representative Maurice West
(IL-67)

Illinois Senator Rachel Ventura
(IL-43)

Indiana Representative Chris Campbell
(IN-26)

Indiana Representative Carolyn Jackson
(IN-1)

Indiana Representative Matt Pierce
(IN-61)

Indiana Senator Lonnie Randolph
(IN-2)

Maryland Delegate Jackie Addison
(MD-45)

Maryland Delegate Nick Allen
(MD-8)

Maryland Delegate Adrian Boafo
(MD-23)

Maryland Delegate Regina Boyce
(MD-43)

Maryland Delegate Charlotte Crutchfield
(MD-19)

Maryland Delegate Elizabeth Embry
(MD-43)

Maryland Delegate Linda Foley
(MD-15)

Maryland Delegate Catherine Forbes
(MD-43)

Maryland Delegate David Fraser-Hidalgo
(MD-15)

Maryland Delegate Terri Hill
(MD-12)

Maryland Delegate Aaron Kaufman
(MD-18)

Maryland Delegate Mary Lehman
(MD-21)

Maryland Delegate Robbyn Lewis
(MD-46)

Maryland Delegate Julie Palakovich Carr (MD-17)	Maryland Senator Jeff Waldstreicher (MD-18)
Maryland Delegate Cheryl Pasteur (MD-11)	Maryland Senator Ron Watson (MD-23)
Maryland Delegate Joseline Pena-Melnyk (MD-21)	Michigan Representative Laurie Pohutsky (MI-17)
Maryland Delegate Sheila Ruth (MD-44)	New Jersey Assembly Member David Bailey (NJ-3)
Maryland Delegate Karen Simpson (MD-3)	New Jersey Assembly Member Sterley Stanley (NJ-18)
Maryland Delegate Jared Solomon (MD-18)	New Jersey Senator Linda Greenstein (NJ-14)
Maryland Delegate Vaughn Stewart (MD-19)	New Jersey Senator Raj Mukherji (NJ-32)
Maryland Delegate Deni Taveras (MD-47)	New Jersey Senator Bob Smith (NJ-17)
Maryland Delegate Jen Terrasa (MD-13)	New Jersey Senator Britnee Timberlake (NJ-34)
Maryland Delegate Kriselda Valderrama (MD-26)	North Carolina Representative Mary Belk (NC-88)
Maryland Delegate Greg Wims (MD-39)	North Carolina Representative Julie Von Haefen (NC-36)
Maryland Delegate Natalie Ziegler (MD-9)	Ohio Representative Michael Skindell (OH-13)
Maryland Senator Joanne Benson (MD-24)	Ohio Representative Casey Weinstein (OH-34)
Maryland Senator Sarah Elfreth (MD-30)	Ohio Senator Hearcel Craig (OH-15)
Maryland Senator Katie Hester (MD-9)	Pennsylvania Representative Aerion Abney (PA-19)
Maryland Senator Shelly Hettleman (MD-11)	Pennsylvania Representative Lisa Borowski (PA-168)
Maryland Senator Benjamin Kramer (MD-19)	Pennsylvania Representative Joseph Hohenstein (PA-177)
Maryland Senator Karen Lewis Young (MD-3)	Pennsylvania Representative Emily Kinhead (PA-20)
Maryland Senator Jim Rosapepe (MD-21)	Pennsylvania Representative Steven Malagari (PA-53)
Maryland Senator William Smith (MD-20)	Pennsylvania Representative Danielle Otten (PA-155)

Pennsylvania Representative Jennifer O'Mara (PA-165)	Pennsylvania Senator Timothy Kearney (PA-26)
Pennsylvania Representative Christopher Rabb (PA-200)	Virginia Delegate Richard Sullivan (VA-6)
Pennsylvania Representative Benjamin Sanchez (PA-153)	Virginia Senator Ghazala Hashmi (VA-15)
Pennsylvania Representative Joe Webster (PA-150)	West Virginia Delegate Evan Hansen (WV-79)