August 21, 2026

Federal Energy Regulatory Commission
Office of the Secretary
888 First Street NE
Washington, DC 20426

RE: Docket No. AD26-7-000; PJM Governance and Stakeholder Reforms

Dear Debbie-Anne A. Reese,

The nine undersigned organizations represent states across the PJM region and we are writing to urge FERC to reform PJM's governance to ensure PJM serves the public interest, not just private profit. Following the PJM technical conference, FERC has an opportunity to proactively reform the governance and stakeholder processes of the nation's largest grid operator. PJM is in serious need of reforms to more effectively manage a reliable, affordable grid that works for all ratepayers.

PJM's decisions are not made in a vacuum, and the inadequacies in the process are becoming increasingly apparent and unsustainable as PJM struggles to manage the skyrocketing load growth from data centers. As it stands, PJM's governance structure is heavily weighted towards utilities, electricity generators, and transmission owners. PJM gives disproportionate voting power to these market participants that have direct financial interests in the outcomes of its decisions, often at the direct expense of ratepayers burdened by the resulting energy price surges. This outdated structure has led to grid mismanagement and higher energy burdens for families across the PJM region.

PJM's process has also delayed lower-cost clean energy projects from connecting to the grid while maintaining reliance on more expensive polluting power, exacerbating high costs and impeding the clean energy transition. A recent analysis indicates that if PJM allowed more clean energy to connect to the grid, customers would each save $500 a year in lower energy bills.[1]

To reform this process, there must be more transparency and expanded stakeholder engagement to give consumers a voice in decisions that directly impact them. Votes and board meetings should be made public to increase PJM accountability and allow stakeholders to more effectively engage in the process. PJM must also ensure their stakeholder process prioritizes the interests of ratepayers served by PJM and consults and gives voting status to state representatives who understand the nuances of their state policies and are held accountable to those constituents.

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[1] Tackling the PJM Electricity Cost Crisis, Synapse Energy Economics (https://www.synapse-energy.com/sites/default/files/Evergreen%20PJM%20Queue%20Report%204.10.25_%20final%2024-145.pdf)

We offer the following responses to several of the posed questions:

<u>PJM Board Independence</u>

3. Should the Board member qualification rules be revised to provide a preference for some Board members that reside in the PJM region?

Yes. The qualifications and expertise required for Board members should be expanded to include state and ratepayer experience. PJM Board members are incredibly important for setting the agenda for PJM, and it is critical the Board includes members that reflect the interests of ratepayers and states in the PJM region.

6. In order to increase transparency, should Board votes be made public or the Board be required to explain its reasoning?

Yes. Furthermore, there should be transparency of individual firm votes across all committee levels. The current voting process is shrouded in secrecy and prevents other stakeholders from understanding how the Board and committees are voting and why. As a result of this opacity, there is mistrust and no way to hold Board members accountable for the actions they are voting for. As the RTO tasked with managing and operating a vast grid to serve 67 million people across 13 states and DC, there is no reason the votes by PJM's Board and committees should be hidden from the public. The decisions that the Board makes should be accountable to serving those ratepayers and transparent votes will ensure stakeholders, including consumer advocates, are more informed and capable of being informed participants throughout PJM's decision-making process.

7. In order to increase transparency, should some Board meetings be open or available to the public?

Yes. Another aspect of improving transparency and ensuring PJM can be held accountable to the 67 million ratepayers it serves is opening Board meetings to the public. Ratepayers and state representatives who are directly impacted by PJM's decisions should have a seat and voice at the table and understand how and why the Board is making the decisions they are making. More open available Board meetings will cultivate a more democratic process for decisions that affect such a large swath of the Mid-Atlantic region and beyond.

8. Should PJM's governing documents be revised to explicitly state that the responsibility of PJM and its Board is to serve the public interest?

Yes, PJM's mission should reflect the public interest, including affordability.

9. Should state representatives have at least one voting member on the Nominating Committee?

Yes, the Nominating Committee should be expanded to include state representatives.

<u>Section 205 Filing Rights</u>

14. Should the Organization of PJM States Inc (OPSI) have "jump ball" rights over resource adequacy and transmission cost allocation filings when a supermajority of OPSI agrees on an alternative proposal?

Yes, OPSI should have "jump ball" 205 filing rights.

<u>State Participation</u>

20. Should PJM be required to consult with OPSI prior to making a section 205 filing related to resource adequacy and transmission cost allocation?

Yes, there should be a formalized process requiring Board consultation with OPSI. Representing the PUCs in each PJM state, OPSI is a critical stakeholder to understand and represent regulatory interests impacting states and ratepayers and as such should be properly integrated into PJM's processes.

At a time of unprecedented growth in energy demand and increasing strain on our grid, PJM's ability to ensure affordable and reliable electricity for ratepayers is hindered by the current structure. In alignment with other consumer advocates and legislators, our organizations encourage concrete, actionable reforms for PJM that prioritize the public interest, center affordability, and strengthen transparency. A more equitable, transparent governance structure and stakeholder process will ensure PJM can better serve ratepayers and more effectively manage the grid.

We appreciate your leadership and look forward to continued collaboration on these vital reforms.

Sincerely,

Illinois Environmental Council

Indiana Conservation Voters

League of Conservation Voters

Maryland League of Conservation Voters

New Jersey League of Conservation Voters

North Carolina League of Conservation Voters

Ohio Environmental Council

Conservation Voters of Pennsylvania

Virginia League of Conservation Voters