



FOR IMMEDIATE RELEASE

PJM Statement on Capacity Reform Filing to FERC

(Valley Forge, Pa. – Oct. 2, 2018)

The [PJM proposal filed with the Federal Energy Regulatory Commission today](#) strikes the balance of preserving the integrity of the wholesale electrical markets with recognizing states' authority to pursue their own energy policies.

Free-market competition provides a reliable, affordable electric grid to the 65 million people served by PJM, producing \$2.8 to \$3.1 billion in efficiencies and cost savings each year. At the same time, the courts, FERC and PJM recognize that the states within PJM's 13-state footprint have the right to support generation that meets specific environmental, economic or political goals.

FERC's direction in its order was clear: Submit a proposal that recognizes states' authority to shape the makeup of their generation fleet, while transparently and carefully ensuring that the costs associated with state actions are borne by the states taking those actions. Just as important, the proposal must guarantee that price outcomes for generation sellers, including those not benefiting from state support, remain fair and competitive.

We believe the proposal we filed today does just that, while also offering flexible options to subsidized generation resources that allow them to participate in the markets under specific rules, or opt to be carved out under certain conditions.

We look forward to working with our stakeholders and regulators to make it a reality.

Read more on PJM's filing from Senior Vice President Vince Duane on [Inside Lines](#).

[PJM Interconnection](#), founded in 1927, ensures the reliability of the high-voltage electric power system serving 65 million people in all or parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia and the District of Columbia. PJM coordinates and directs the operation of the region's transmission grid, which includes over 84,042 miles of transmission lines; administers a competitive wholesale electricity market; and plans regional transmission expansion improvements to maintain grid reliability and relieve congestion. PJM's regional grid and market operations produce annual savings of \$2.8 billion to \$3.1 billion. For the latest news about PJM, visit PJM Inside Lines at insidelines.pjm.com.

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