



**Response of the Electric Power Supply Association to the June 12, 2025
Request for Information Regarding New Generation in Pennsylvania**

**Submitted to PUC: August 6, 2025
Docket No. M-2024-3051988**

The Electric Power Supply Association (EPSA)¹ appreciates the opportunity to respond to this Request for Information (RFI) on what strategies, such as long-term power purchase agreements for capacity attributes, could lead to the construction of new dispatchable generation or the expansion of existing dispatchable generation for the benefit of Pennsylvania ratepayers. EPSA strongly supports the detailed response of the PJM Power Provider Group (P3) submitted on July 10, 2025, and incorporates by reference the P3 comments.

EPSA members own, operate, and develop critical assets in Pennsylvania and the PJM Interconnection footprint, including over 24,000 MW of electric power generation located in Pennsylvania and nearly 70,000 MW across the region. These independent power producers have located in PJM, and in Pennsylvania specifically, due to the competitive wholesale market structure provided and operated by PJM and state policies supporting that approach. These decisions enable Pennsylvania, as part of PJM, to deliver safe, reliable electricity at the most efficient cost to its consumers without having to rely on more restrictive and expensive cost-of-service regulation.

EPSA members rely on the competitive wholesale market to guide investment in the continued maintenance and operation of generation resources which support operational, maintenance, and management jobs, local and state tax revenues, and other aspects of the local communities where these assets are located.

As P3 correctly points out, competitive markets have delivered enormous benefits for Pennsylvania customers and have proven more than capable of building new generation in the state.² In the years since Pennsylvania restructured its electric system, competitive markets have delivered these and other benefits improving system reliability. In fact, PJM operations, markets, and planning result in annual savings of \$3.2–4 billion for the region.³ In addition, market forces yielded significant environmental

¹ EPSA is the national trade association representing competitive power suppliers in the U.S. EPSA members provide reliable and competitively priced electricity from environmentally responsible facilities using a diverse mix of fuels and technologies. EPSA seeks to bring the benefits of competition to all power customers. This pleading represents the position of EPSA as an organization but not necessarily the views of any particular member with respect to any issue.

² Response of the PJM Power Provider Group (P3) to the June 12, 2025, Request for Information Regarding New Generation in Pennsylvania, (July 10, 2025).

³ PJM Interconnection, PJM Value Proposition, (2019), <https://www.pjm.com/-/media/DotCom/about-pjm/pjm-value-proposition.pdf>.



benefits, with carbon emissions in the PJM footprint dropping 43% since 2005.⁴ Adding to those benefits, a recent study conducted by FTI found that, from 2013 to 2022, restructured states had more reliable electric service than fully regulated states in nearly every year across multiple reliability metrics.⁵

Competitive markets also continue to deliver investment in new generation. In March, PJM announced that it has selected 51 proposed new generation projects through its Reliability Resource Initiative (RRI); these projects are expected to come online quickly and will provide more than 9,300 MW of reliable capacity throughout the region – including 1,201 MW in Pennsylvania.⁶ In addition, PJM continues to expedite its interconnection process in order to move ahead with an array of projects that remain waiting to clear the queue. In the most recent news last week, PJM’s Base Residual Auction for the 2026/2027 Delivery Year cleared 2,669 MW of new generation and uprates and saw approximately 1,100 MW of generation elect to reverse their decision to retire.⁷ This result is further evidence that markets – when allowed to provide transparent price signals – will attract needed resources.

Since 2023, PJM has processed almost 140 GW of generation interconnection projects; the interconnection transition queue has been reduced to approximately 63 GW of projects as of June 2025, all of which will be processed in 2025 and 2026.⁸ PJM has further noted that around 46 GW of interconnection projects – enough to power 40 million homes – currently have signed agreements to connect to the grid, but many are being delayed or stymied by issues beyond PJM’s control like federal, state and local permitting, siting, and supply chain challenges.⁹

As these numbers indicate, PJM and the competitive markets that it oversees have attracted enormous amounts of private investment in new capacity throughout the region. Given this backdrop, P3’s suggested solution set is the correct one for Pennsylvania and the PJM region. As P3 suggests, Pennsylvania should allow competitive markets – both wholesale and retail – to continue to work for Pennsylvania

⁴ PJM Interconnection, Emission Rates in PJM Reach All-Time Low, (March 28,2024), <https://insidelines.pjm.com/emission-rates-in-pjm-reach-all-time-low/>.

⁵ FTI Consulting, An Evaluation of Regulated and Restructured Electricity Markets, (November 2024), pp.26-27.

⁶ PJM Interconnection, Inc., Reliability Resource Initiative Additional Summaries, (May 6, 2025), <https://www.pjm.com/-/media/DotCom/committees-groups/committees/pc/2025/20250506/20250506-rri-addendum--post-meeting.pdf>.

⁷ PJM Interconnection, PJM Auction Procures 134,311 MW of Generation Resources; Supply Responds to Price Signal, (July 22, 2025), <https://insidelines.pjm.com/pjm-auction-procures-134311-mw-of-generation-resources-supply-responds-to-price-signal/>.

⁸ PJM Interconnection, Inc., Interconnection Reform Progress Fact Sheet, (2025), <https://www.pjm.com/-/media/DotCom/about-pjm/newsroom/fact-sheets/interconnection-reform-progress-fact-sheet.pdf>.

⁹ *Id.*



customers.¹⁰ While the third option that P3 references – long-term state procurements – is less desirable than options one and two, should Pennsylvania choose to pursue this path, it should be enacted in a manner that does not harm competitive markets and that is consistent with existing Pennsylvania and federal law.

EPSA also notes that as a primary driver for the increased forecasts for load growth in the PJM region is the rapid development of energy intensive data centers, the emergence of co-location arrangements is a promising and innovative approach to address this category of customer, though it requires careful consideration of several policy questions. EPSA's principles on co-location¹¹ offer a roadmap to ensure that Pennsylvania and the region support innovative approaches to meet this large source of demand cost-effectively, efficiently, and rapidly – while ensuring that investors, not customers, bear the risks of this shift. Critically, any new co-location arrangements must preserve open access to the transmission system without impeding competitive markets or reliability.

As P3 points out – and recent investment decisions affirm – competitive markets have proven remarkably resilient and continue to rise to meet the moment and deliver reliable and affordable power for Pennsylvania and the PJM region. Accordingly, the best thing that Pennsylvania can do to spur continued investment in new generation is allow markets to work.

EPSA looks forward to continuing this critical conversation and appreciates being included in this discussion.

¹⁰ Response of the PJM Power Provider Group (P3) to the June 12, 2025, Request for Information Regarding New Generation in Pennsylvania, (July 10, 2025).

¹¹ Electric Power Supply Association, EPSA Principles for Data Centers and Co-Location, (November 5, 2024), <https://epsa.org/epsa-principles-for-data-centers-and-co-location/>.