

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Harrisburg, PA 17120

**Motion Directing Staff to Issue Tentative
Order Pursuant to the Public Utility
Commission's Provisions at 52 Pa. Code
Section 57.52 (Emergency load control
and energy conservation by electric utilities)
and Establish a Technical Conference
On Large Computational Load Cost
Allocation**

**Public Meeting of September 10, 2026
3064961-CMR**

COMMISSIONER'S MOTION OF VICE CHAIR KIMBERLY BARROW

Through revised tariff filings made with the Federal Energy Regulatory Commission (FERC) on July 31, 2026 and August 13, 2026, respectively, PJM Interconnection LLC (PJM) proposed to implement a Reliability Backstop Procurement (RBP) and an Interim Resource Adequacy Service (IRAS). PJM's RBP and IRAS proposals are intended to address the rapid energy demand growth imposed by new large load data centers coupled with inadequate increases of new supply in the capacity market. Most recently, PJM's Base Residual Auction (BRA), announced on July 14, 2026, has revealed a system-wide reliability shortfall of 6,831 capacity MWs for the 2028/2029 Delivery Year.

The RBP mechanism is intended to help facilitate new large load customers, including data centers, in procuring their needed capacity. The IRAS proposal addresses those large load data centers that have not procured adequate capacity from new sources. Via the IRAS proposal, load reduction curtailments would first be mandated for all large loads that are not supported by their own generation/capacity (onsite or contracted), prior to PJM declaring or requiring any Pre-Emergency Load Management Reductions. If approved, as filed, PJM would target September 30, 2026, to start the RBP, and its IRAS proposal would become effective on October 12, 2026 to ensure its availability by June 1, 2027.

On August 18, 2026, Governor Josh Shapiro signed Executive Order 2026-05¹ which encourages the Commission to establish rules, procedures, and orders relating to curtailment of large loads and allocation of RBP costs. In particular, the Commission is encouraged to ensure that each electric utility that has received a request to interconnect a data center in its territory files with the Commission revisions to both its pre-emergency IRAS and emergency load control procedures. This is so that utilities curtail new computational large loads prior to any other customer during pre-emergency IRAS or emergency events, unless that large load customer has secured new incremental electric capacity for the entirety of its demand. Additionally, the Executive Order encouraged the Commission to prevent traditional retail customers from being charged for any backstop auction costs.

PJM is currently feeling the pressure of maintaining electric service reliability and new pre-emergency or emergency curtailment procedures will be necessary. The Commission is charged with ensuring that its jurisdictional utilities provide safe and reliable service, and the Commission possesses broad

¹ *Executive Order 2026-05: Protecting Pennsylvania Consumers from Data Center Impacts* (signed August 18, 2026). Accessible at https://www.pa.gov/content/dam/copapwp-pagov/en/governor/documents/eo2026_05_protecting%20pennsylvania%20consumers%20from%20data%20center%20impacts_final_executed.pdf.

regulatory oversight to ensure grid reliability and public safety. 66 Pa. C.S. §§ 501, 1501. I note that the Commission's Regulation at 52 Pa. Code § 57.52 currently provides a basic structure designed to manage load control and emergency load curtailment by electric distribution companies. As such, pursuant to Section 57.52 of our regulations, the Commission can require our jurisdictional electric distribution companies to revise their tariffs to provide universal specificity on the order, criteria, and applicability of customer curtailment protocols.

Accordingly, the Commission's Law Bureau and Bureau of Technical Utility Services are tasked with drafting a Tentative Order outlining proposed amendments and modifications that the electric distribution companies must make to their tariffs to incorporate a pre-emergency provision that implements curtailment protocols. Additionally, it is incumbent upon the Commission to outline proposed amendments and modifications that electric distribution companies must make to their emergency load control procedures for emergency events, unless the large load customer has secured incremental electric capacity for the entirety of its demand as proposed by PJM in its Tariff.² Moreover, it is important that electric distribution utilities do not classify any data center as critical load exempt from curtailment during pre-emergency or emergency events.

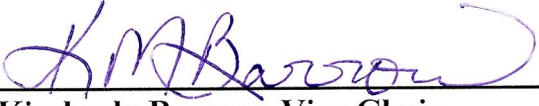
Staff will provide a Tentative Order to be voted on at the October 1, 2026 public meeting, with a 30-day comment and 15-day reply comment period. A final order will be prepared for the January 28, 2027 public meeting directing the electric distribution companies to file tariff supplements. Depending on the development of this docket, a rulemaking may follow.

Additionally, noting that cost allocation issues associated with large computational loads is a more complex issue, I move that the Commission host a technical conference this fall, to vet issues of cost responsibility in a data center driven world. Time is of the essence as costs for energy, capacity, distribution, and transmission are already increasing for ordinary retail customers, largely driven by new large computational load customers. Ensuring that new costs are allocated to the customers driving the increases is central to the Commission's mission to protect the public interest.

THEREFORE, I MOVE THAT:

1. The Law Bureau and Bureau of Technical Utility Services shall draft and submit a Tentative Order for the October 1, 2026 public meeting, consistent with this Motion.
2. The Commission host a Technical Conference on large computational load cost allocation this fall, and the Secretary's Bureau shall issue a Secretarial Letter formally announcing the Technical Conference and creating a docket for submission of initial and reply post-Technical Conference comments.

September 10, 2026
Date


Kimberly Barrow, Vice Chair

² FERC Docket No. ER26-3380.