



**Mark Takahashi**  
Chair, PJM Board of Managers

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VIA Electronic Delivery

July 1, 2022

National Council of Environmental Legislators  
c/o Mr. Jeff Mauk  
1100 H Street NW, Suite 600  
Washington, D.C. 20005

Dear Respected Legislators,

Thank you for your correspondence dated June 16, 2022, wherein you express your concerns regarding over-procurement of generation resources within the PJM marketplace.

As you note, in the PJM Quadrennial Review, consultant The Brattle Group has recommended certain changes to the Variable Resource Requirement (demand) curve. PJM agrees with these changes, and if implemented, will serve to address some of your cited concerns. Further, we have made changes to our load forecasting methodology that will also assist in right-sizing procurement levels. We will continue to both refine our methodology to ensure accuracy, and also evolve it to include new industry drivers like electric vehicle charging.

As you further note, we balance many interests. We have affirmatively stated through PJM's five year strategic plan that we seek to facilitate state and federal decarbonization policies while maintaining essential grid reliability. We believe these objectives can coexist, and we look forward to continued interaction with NCEL and our stakeholder community as we advance together.

Sincerely,

Mark Takahashi  
Chair, PJM Board of Managers