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PJM GRID 20/20 FOCUSES ON RESOURCE DIVERSITY,
EXPLORES THE IMPACTS OF SHIFTING TRENDS IN RESOURCE TYPES

FERC Chairman LaFleur, PJM’s Boston offer insights on shaping the resource mix

(Valley Forge, Pa. – Oct. 22, 2014) – The impacts of the world’s largest and fastest fuel switch, evolving federal policies and the increasing use of non-traditional generation are driving the industry to recognize the greater need for resource diversity said PJM Interconnection President and CEO Terry Boston. He was joined by Federal Energy Regulatory Commission Chairman Cheryl LaFleur, who shared industry insights at PJM’s Grid 20/20: Focus on Resource Diversity on Oct. 21 in Washington, D.C.

“We’re facing a big change from the normal pace at which the grid evolved. Looking back 80 years, typically it has taken a decade for a new fuel to emerge as a major source of generation,” Boston said. “This myopic focus on one fuel source per decade has resulted in something very important for reliability – a diverse mix of fuels in PJM.

“Next May, for the first time ever, we will see natural gas surpass coal in our fuel mix,” continued Boston.

Boston explained that currently PJM’s capacity mix is 40 percent coal, 30 percent natural gas, 19 percent nuclear and 11 percent other, including renewables sources. Those percentages are changing as the industry rapidly moves to natural gas as a primary fuel.

FERC Chairman LaFleur said for the most part, competitive energy markets have done a good job attracting new generation, based on what markets were designed to do. She said, nationally we are at a key point in the development of electricity markets.

LaFleur noted that in the last several years the FERC has issued many orders trying to make sure new resources can fairly participate in electricity markets. She acknowledged it’s difficult work to look at these complex structures, but it’s important to get markets right.

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LaFleur delivered the keynote address on Oct. 21 amid two panels of experts discussing the shifting trends in resource types, as well as the benefits and challenges associated with achieving a reliable resource mix.

Close to 200 participants representing energy organizations, generators, transmission owners, demand response aggregators, government officials and other grid operators attended the forum.


PJM conducts Grid 20/20 forums to share information and ideas about key topics in the electric power industry. This forum, which focused on resource diversity, was the fifth in the series that began in 2011. More information is available at grid2020.pjm.com.

PJM Interconnection, founded in 1927, ensures the reliability of the high-voltage electric power system serving 61 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 62,556 miles of transmission lines; administers a competitive wholesale electricity market; and plans regional transmission expansion improvements to maintain grid reliability and relieve congestion. Visit PJM at www.pjm.com.

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