



FOR IMMEDIATE RELEASE

PJM Statement on Potential Department of Energy Market Intervention

(Valley Forge, Pa. – June 1, 2018)

PJM has not received any official document from the Department of Energy.

Our analysis of the recently announced planned deactivations of certain nuclear plants has determined that there is no immediate threat to system reliability. Markets have helped to establish a reliable grid with historically low prices. Any federal intervention in the market to order customers to buy electricity from specific power plants would be damaging to the markets and therefore costly to consumers.

There is no need for any such drastic action. PJM just released the results of its capacity auction, which secured reliable supplies through 2021/2022. The auction results saw an increase in the amount of coal resources that cleared the market, along with a diverse mix of natural gas generation, nuclear generation, renewable resources, demand response and energy efficiency.

The PJM electrical grid is more reliable than ever, with 23 percent reserve margins and billions of dollars of new investment. All of this is occurring while emissions are decreasing and wholesale prices are at historic lows for the 65 million consumers we serve. From 2008 to 2017, wholesale prices in PJM fell by more than 40 percent. Competition has required generators to operate more efficiently while also attracting new, more efficient technology, resulting in more than \$1.4 billion in annual savings.

We have acknowledged the concerns raised by officials and regulators about the long-term resilience of the grid and we are embarking on a fuel security initiative that we announced just a few weeks ago. Our goal with that initiative is to ensure that the already reliable electric grid will continue to remain both reliable and resilient for years into the future without the need for government intervention in the marketplace.

[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.

###

