2024 Governor's Energy Summit

Meeting West Virginia's Increased Energy Demand

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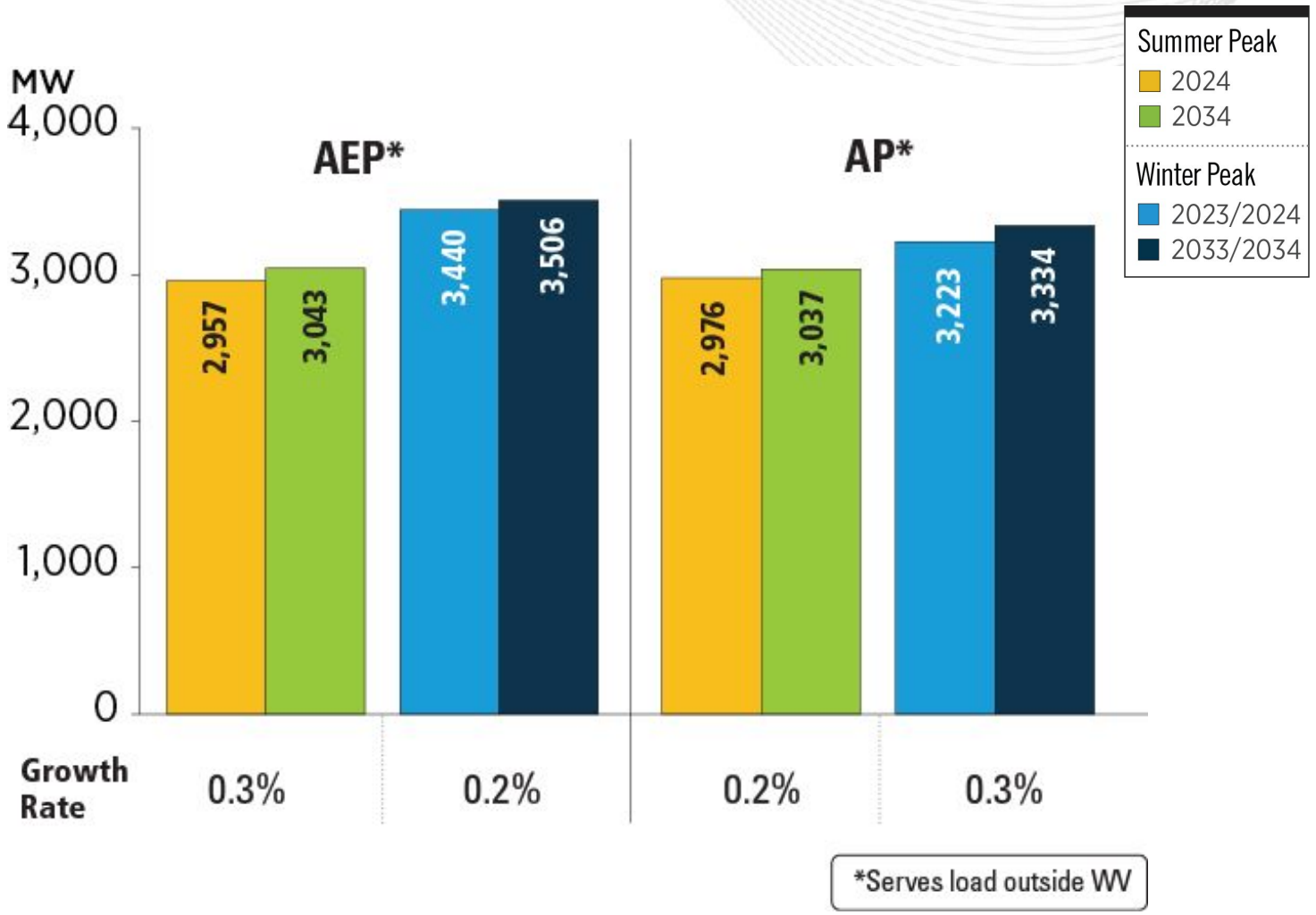
West Virginia – 2024 Load Forecast Report

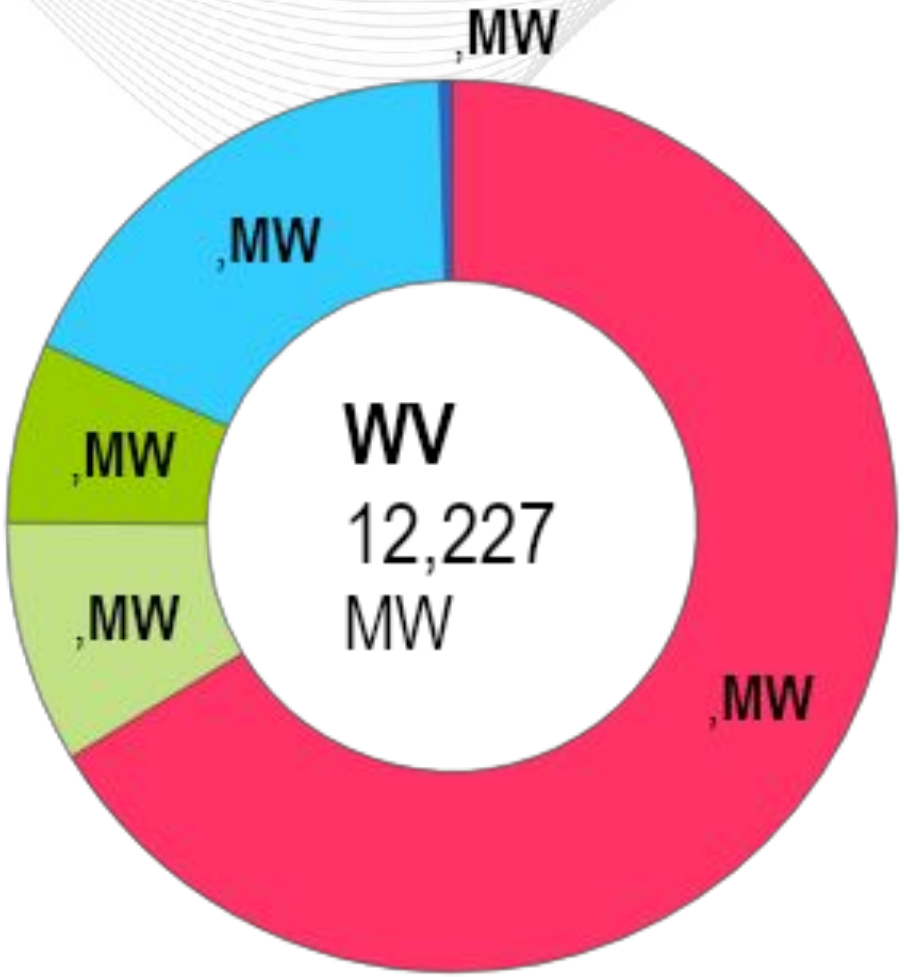


PJM RTO Summer Peak		PJM RTO Winter Peak	
2024	2034	2023/2024	2033/2034
151,247 MW	176,822 MW	134,659 MW	163,069 MW
Growth Rate 1.6%		Growth Rate 1.9%	

* PJM notes that American Electric Power Company and Allegheny Power serve load other than in West Virginia. The summer and winter peak megawatt values in this table each reflect the estimated amount of forecasted load to be served by each of those transmission owners solely in West Virginia. Estimated amounts were calculated based on the average share of each transmission owner's real-time summer and winter peak load located in West Virginia over the past five years.

West Virginia Queued Capacity (Nameplate) by Fuel Type

("Active" in the PJM Queue as of April 1, 2024)



Implemented Interconnection Reforms

April 23, 2021
Stakeholders begin queue reform through Interconnection Process Reform Task Force.

May–November 2021
Stakeholders hash out issues in seven policy workshops.

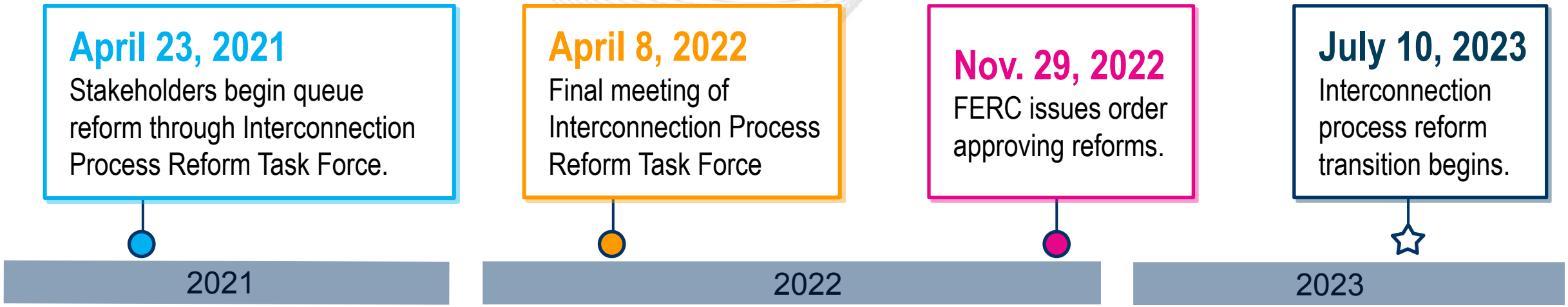
April 8, 2022
Final meeting of Interconnection Process Reform Task Force

April 27, 2022
PJM Members Committee overwhelmingly endorses reform package.

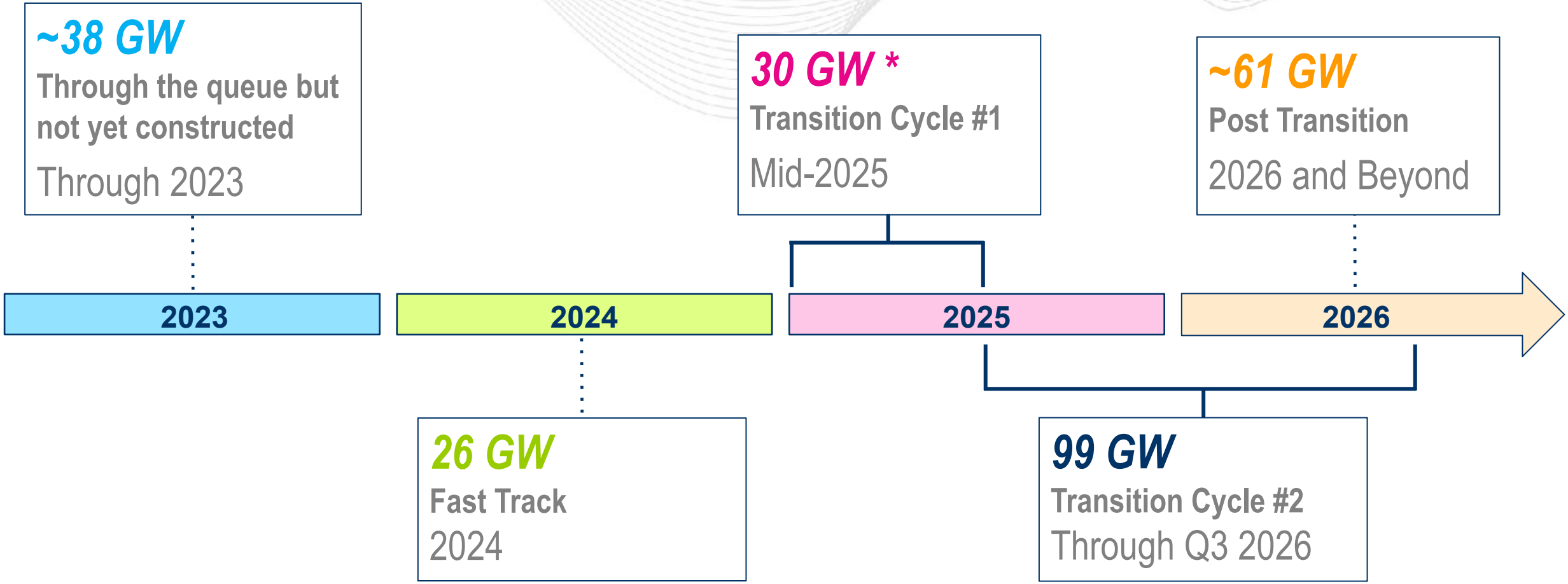
June 14, 2022
Interconnection process reform package filed with FERC.

Nov. 29, 2022
FERC issues order approving reforms.

July 10, 2023
Interconnection process reform transition begins.



Initial Queue Breakdown and Timeline



** TC1 was 46 GW prior to Decision Point 1.*

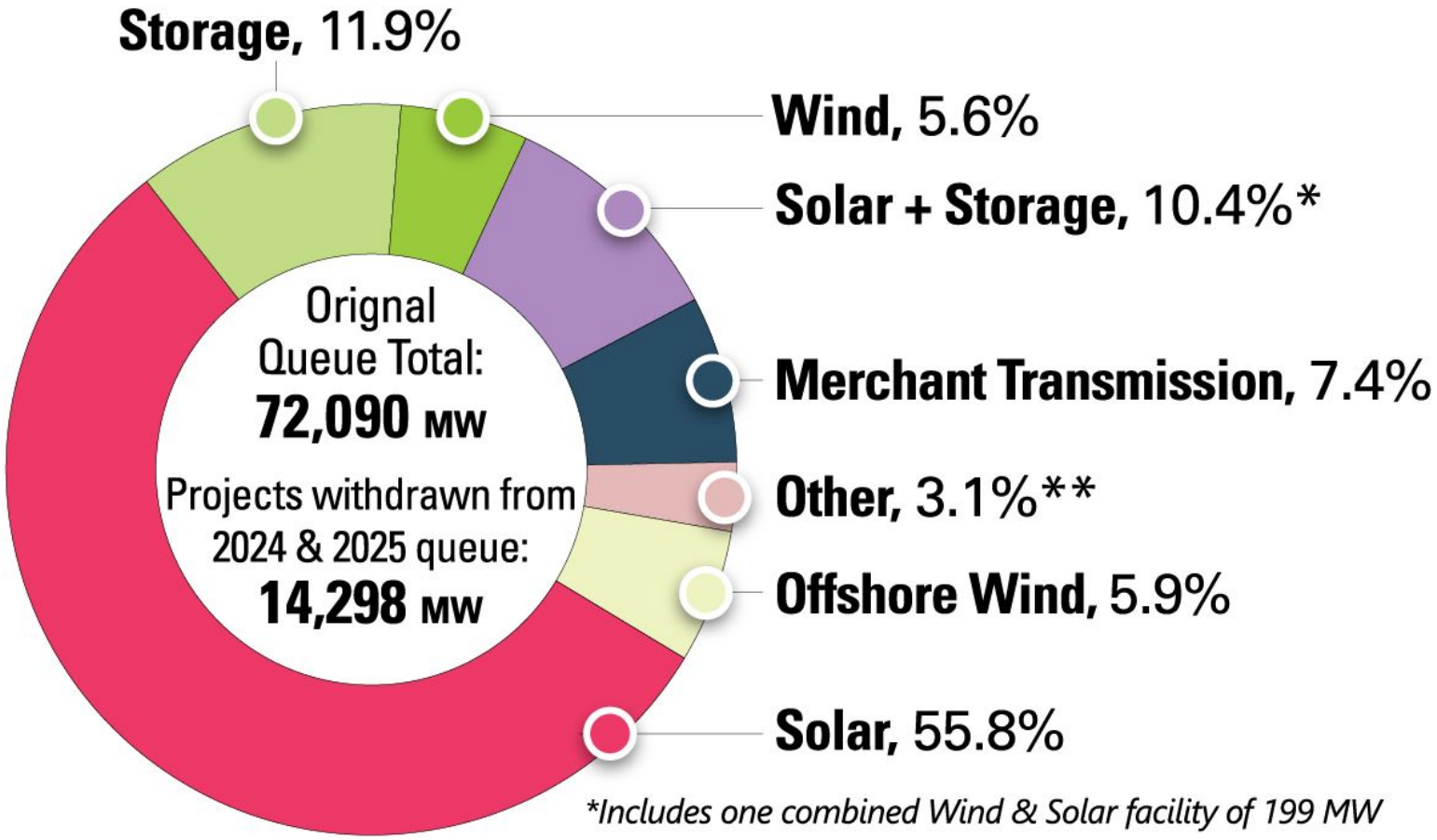
Projects To Clear PJM Interconnection Process in 2024 and 2025

Projects To Clear PJM Interconnection Process in 2024 and 2025

(Updated for Transition Cycle 1 as of Aug. 1, 2024)

By State	Number of Projects	Total Nameplate Capacity (in MW)
DE	1	120.00
IL	62	10,861.95
IN	63	11,568.64
KY	33	3,568.50
MD	6	1,245.00
MI	8	887.20
NC	21	1,542.90
NJ	20	1,204.80
OH	62	7,829.49
PA	91	3,696.10
VA	107	11,967.50
WV	14	1,154.00
Total	488	55,646.00

Please note some projects have reduced project megawatts.



**Includes one combined Wind & Solar facility of 199 MW*

***Other: Natural Gas (1,646.7 MW, 3.0%) and Hydro (51 MW, 0.1%)*

Interconnecting New Generation Resources

Projects To Clear PJM Interconnection Process in 2024 and 2025

(Updated for Transition Cycle #1)

By State	# of Projects	Total Nameplate Capacity (in MW)	By State	# of Projects	Total Nameplate Capacity (in MW)	By State	# of Projects	Total Nameplate Capacity (in MW)
DE	1	120	MD	6	1,245	OH	62	7,829
IL	62	10,862	MI	8	887	PA	91	3,696
IN	63	11,569	NC	21	1,543	VA	107	11,968
KY	33	3,569	NJ	20	1,205	WV	14	1,154

Total: 488 Projects | 55,646 MW

Projects With Executed Interconnection Agreements

As of July 25, 2024

By State	# of Projects	Total Nameplate Capacity (in MW)	By State	# of Projects	Total Nameplate Capacity (in MW)	By State	# of Projects	Total Nameplate Capacity (in MW)
DE	11	419	MD	35	1,338	OH	82	9,164
IL	24	3,741	MI	2	250	PA	109	3,952
IN	21	3,493	NC	17	1,731	VA	95	7,426
KY	13	881	NJ	37	3,579	WV	11	2,397

Total: **457 Projects | 38,371 MW**

Additional Queue Reform Discussions

CIR Transfer	**Target:** Resources using interconnection service from a deactivating generator **Potential Outcome**: Permanent modifications to the process
Reliability Resource Initiative	**Target:** Resources not currently in the interconnection queue **Potential Outcome:** Expansion of the eligibility criteria for Transition Cycle 2 beyond active requests received prior to September 2021
Surplus Interconnection Service	**Target:** Operating generators that are not able to operate continually 24/7/365 **Potential Outcome:** Permanent modification to Surplus Interconnection Service criteria

2025/2026 Base Residual Auction Summary

The 2025/2026 BRA cleared enough capacity to meet the RTO reliability requirement, but the reserve margin is lower than prior years and there is minimal uncleared capacity that was offered in the auction.

Dominion and Baltimore Gas & Electric

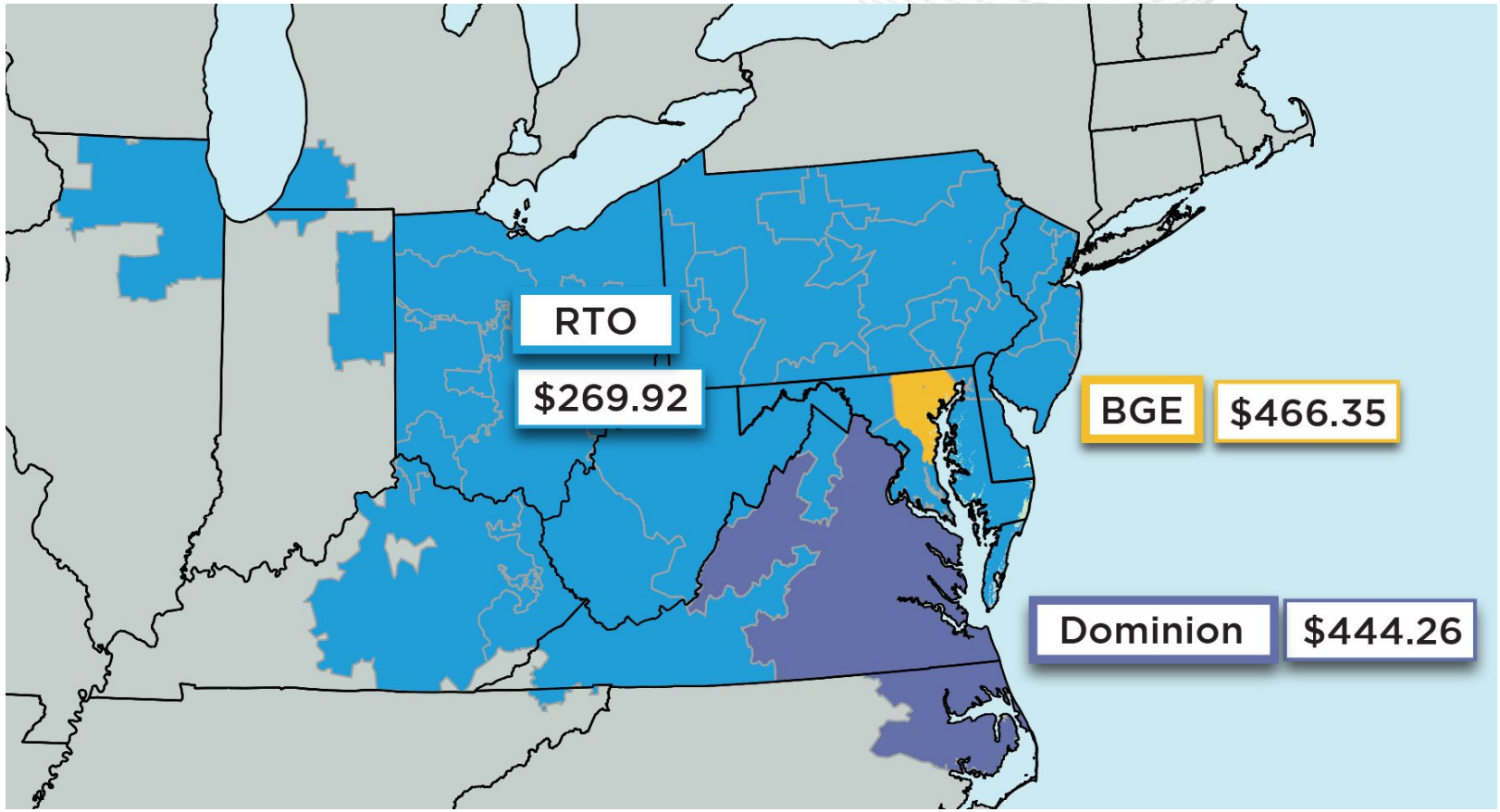
- Cleared short of their reliability requirements due to load growth and retirements
- Prices in these LDAs are at the price caps.

The auction cleared a diverse mix of resources, including (on a UCAP basis):

- 48% natural gas
- 21% nuclear
- 18% coal
- 1% solar
- 1% wind
- 4% hydro
- 5% demand response

Auction results send a clear investment signal across the RTO.

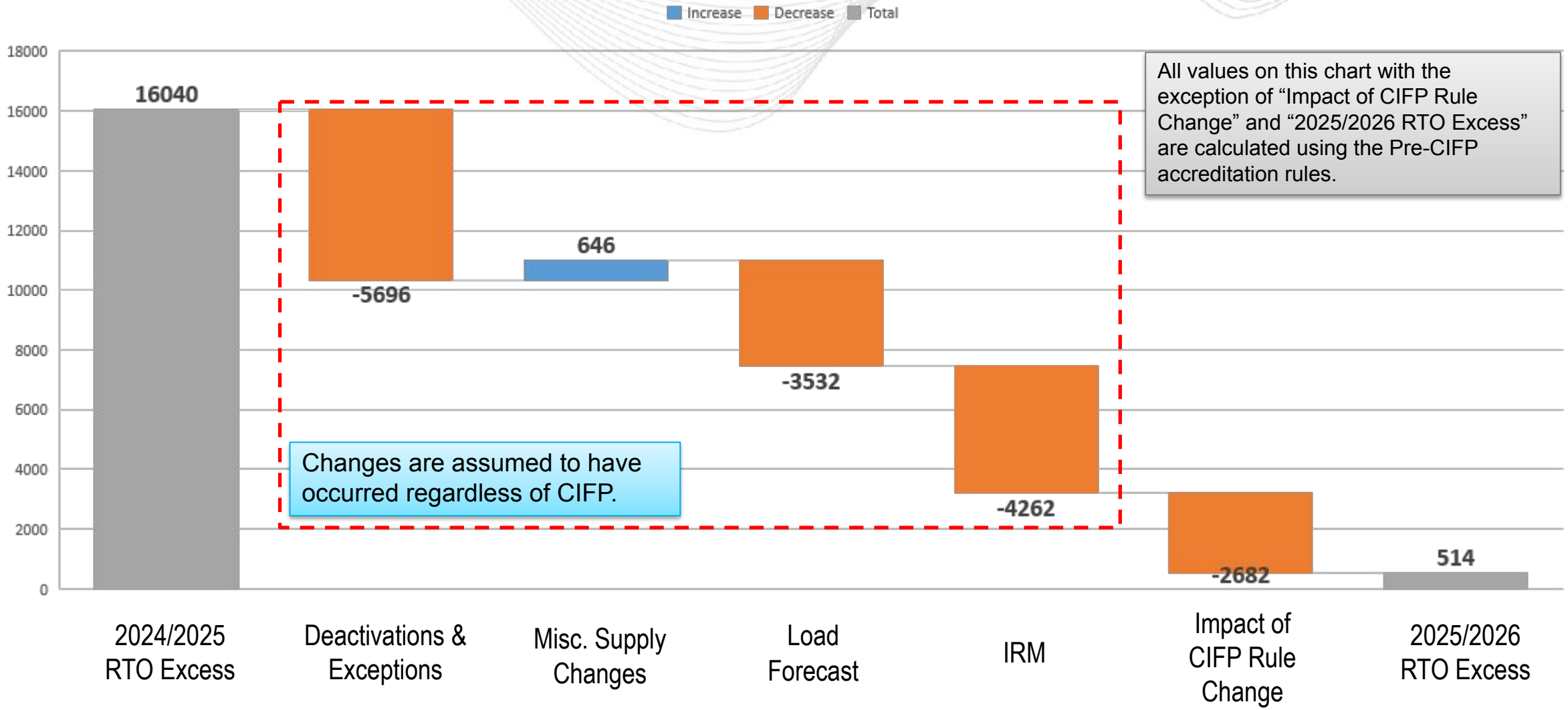
RTO & LDA Prices



RTO Price Comparison

	2025/2026	2024/2025
RTO Price:	**$269.92/** MW-day	**$29/** MW-day
Reserve Margin	**18.5%**	**20.5%**
with IRM of:	*17.8%*	*14.7%*

Waterfall Chart of Reduction in Excess Capacity (UCAP) from 24/25 to 25/26



*Annual resources only; CIFP impact represents net impact of reduced supply (due to lower pool-wide average accreditation) and reduced demand (due to lower Forecast Pool Requirement).

Conclusions

The system has gotten much tighter since the 2024/2025 BRA.

- This is aligned with the study entitled “Energy Transition in PJM: Resource Retirements, Replacements & Risks” issued in February 2023.
- CIFP changes to risk modeling and accreditation have contributed to this but to a lesser degree than other changes that have occurred.

The capacity market is signaling the need for investment now.

The load forecast and IRM in 2026/2027 are both increasing relative to 2025/2026.