

## **PJM 2025/2026 Capacity Auction Results**

Last week, PJM announced the capacity auction results for the 2025/2026 delivery year. The auction produced a price of \$269.92/MW-day, compared to the current rate of \$28.92/MW-day.

PJM's press release indicates that this increase is a result of significant demand growth from data centers and decreasing supply due to generator retirements.

Capacity costs in suppliers' prices is based on the capacity auction rate and your Peak Load Contribution (PLC). Your PLC is your average demand at the time of the 5 highest PJM peaks which usually occur in the late afternoons on hot summer days.

Because the rate has significantly increased, reducing your PLC can help reduce costs and participating in demand response has become more lucrative.

Your supplier may be able to provide you with information regarding your PLC, historical peak times, and future potential peak notifications.

### **Transmission Costs – FirstEnergy service area (Toledo Edison, Ohio Edison and Cleveland Electric Illuminating) – time sensitive**

Transmission costs are currently recovered by FirstEnergy based on the customer's maximum demand except for a few customers that participate in the Electric Security Plan IV (ESP IV) Experimental Non-Market Based (NMB) program.

Under the Experimental pilot program, the transmission costs are recovered based on the Network Service Peak Load (NSPL). Your NSPL is your demand at the time of the system peak which usually occurs in the very late afternoon on a very hot summer day.

Many members have NSPLs that are lower than their maximum demand and could potentially save a significant amount on their electric bill under the pilot program.

FirstEnergy is making an additional 100 MW's available in the pilot. A link to access program details will be available on FirstEnergy's Website [FirstEnergy Corp. Home](#) on **August 9, 2024**, with submission starting **August 19, 2024**.

When the 100 MW is exhausted, customers may still be able to participate through the Reasonable Arrangement Rider process which requires a filing with the PUCO.

If you need help, contact Sherri Loscko for further assistance

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