

Lawmakers in five states seek to force utilities to reveal their PJM votes

By Catherine Morehouse

02/06/2024 05:00 AM EST

Lawmakers in five states are pushing legislation to force their utilities to disclose their votes on critical grid issues at the PJM Interconnection in an effort to determine whether power companies are putting up roadblocks for state energy policies or backing rules that raise costs for consumers.

Democratic lawmakers in Maryland, Illinois, Pennsylvania, Virginia and West Virginia are seeking greater transparency into how local utilities that are subject to their state regulators are shaping the rules set by the 13-state power market. That information is crucial for the states to understand what's driving grid reliability problems, skyrocketing power bills and stalled momentum on clean energy for the states with renewable power targets, according to the lawmakers.

The grid operator hosts 450 stakeholder meetings per year, all of which are open to the public, PJM spokesperson Susan Buehler said in an email. And PJM posts the agendas and minutes of those meetings publicly.

Exelon Corporation, the parent company of some of the largest utilities in PJM's footprint, said in a statement that PJM's "federally regulated stakeholder process is intentionally structured to support consensus building and mutual gains."

"It is open to the public and provides ample opportunities for all interested parties to participate," the company said in the statement. "We look forward to engaging with the sponsors to discuss other ways to provide the additional transparency that they are seeking."

But the votes cast by individual utilities within the lower-level committees responsible for crafting new rules and proposals are not recorded, even though the meetings are open.

"You consistently see things that benefit the [utilities] who we know have more votes in those committees and that are harmful to ratepayers, that are harmful to the environment, that are harmful to reliability, that are harmful to the transition," said Maryland Del. Lorig Charkoudian, who's leading the bill in that state. "And at the very least, we should see how those folks who are benefiting from the outcomes are voting on the rules that we're ending up seeing."

Power companies [have fought previous efforts](#) by state lawmakers to increase transparency about the process, arguing that recording votes and giving regulators more insight into the rulemaking within the power market will hinder candid discussions.

Lawmakers say their efforts to address problems plaguing the electricity grid are hampered by the often opaque decision-making process at regional power markets critics say is dominated by power companies that may be seeking to protect their revenue. As a result, lawmakers argue those market decisions are often at odds with their state policies.

That has sparked a debate in Maryland over the fate of the state's last coal-fired power plant, Talen Energy's Brandon Shores.

PJM has asserted the plant is needed to keep the lights on, although lawmakers there contend that extending its operations is a financial burden on consumers and conflicts with Maryland's clean energy laws. Those lawmakers argue PJM should have anticipated the plant retiring and been more proactive in bringing on new resources to make up for that lost power.

Instead, the power plant secured a "reliability must run" contract with PJM, meaning the grid operator will pay to keep it open past its scheduled retirement date. Meanwhile, a Maryland-based utility owned by Exelon Corp. [will spend \\$796 million](#) in transmission upgrades to handle the closure, an outcome [state regulators and consumer advocates have protested](#).

"How do we get here? What was the set of rules and planning or lack of planning that got us here?" said Charkoudian. "When you consistently land at a place where incumbent utilities and incumbent generators — generally fossil fuel generators — win every single time you got to say, 'Well, geez, who's making those rules?'"

Other blue-state lawmakers introduced their bills out of concern that decisions at the regional level may be slowing their states' transitions to cleaner power. Illinois is aiming to produce 50 percent of its state electricity sales from renewables by 2040 and Virginia's largest utility is required to produce 100 percent of its power from renewable energy by 2045.

"When utilities vote at regional transmission organizations, they have impacts on our clean energy transition and the cost of electricity," said Illinois Rep. Joyce Mason in a statement, who led her state's bill. "As a legislator, my votes are public — it should be the same for utilities whose votes impact the affordability and cleanliness of our electricity. "

But lawmakers are also concerned about whether regional decisions are impacting state electricity costs.

West Virginia Democratic Del. Evan Hansen, the minority leader on the state's subcommittee on natural resources, said in a statement he introduced his bill to get better insight into why West Virginia power bills keep rising.

"In West Virginia, people's electric rates have gone up faster than any other state," he said. "We need our electric utilities to explain how their secret votes at PJM are in the public interest."

Maryland was the first state to introduce such a bill last year, [spurred by concerns](#) that decisions within the regional market were not helping the state lower emissions on the power system by adding more offshore wind, energy storage and other clean energy technologies. That bill passed the House but expired when the Senate did not act by the end of the year.

This year, a companion bill has already been filed in the Senate and lawmakers are generally more educated on the issue, said Charkoudian.

The bills introduced by all five states would require utilities to submit reports to their respective state legislatures recording any votes cast in PJM and a brief explanation for why that vote serves the public's interest.

Bills were introduced in [West Virginia](#), [Virginia](#) and [Maryland](#) late last month and Illinois [introduced its version](#) of the legislation on Monday. Pennsylvania's bill is still being drafted.

All of the bills have been spearheaded by Democrats, potentially complicating their path forward in Republican-dominated West Virginia, as well in Pennsylvania, where Republicans control the state Senate.

Dominion Energy, the largest utility in Virginia, declined to comment on the bill because it hasn't been heard by a full committee yet. AEP's West Virginia utility also did not respond to a request for comment.