EAST KENTUCKY POWER COOPERATIVE

September 3, 2025

President Donald J. Trump
The White House
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

President Trump,

It was an honor to join you at the White House on April 8 for your signing of Executive Orders to unleash America's energy resources. I am greatly encouraged by your continued efforts to reinvigorate our nation's energy capabilities to support new jobs and investment. I am especially heartened by your actions to defend against state overreach.

I am writing to enlist your administration's support to protect PJM Interconnection – the power grid operator for a region encompassing 13 states and the District of Columbia -- from such state overreach. In its most recent iteration, this involves the efforts of several Governors, whose state policies are not securing sufficient generation resources to meet load needs, resulting in an elevation of PJM market prices, attempting to change PJM's governance because of market prices. The Governors of Maryland and New Jersey, for example, have been extremely critical of PJM in the wake of higher prices and are pressing for PJM governance changes. And certain Governors—Pennsylvania and Virginia—are going so far as attempting to force their selected political nominees to assume roles on the PJM Board. Mind you, PJM is not a government agency, so these impacts would have a fundamental change in the way the electric bulk power grid serving many of America's largest cities and industrial centers would operate. The electric grid should be apolitical in every respect. Otherwise, reliability will continue to be eroded.

Your administration is perfectly positioned to lead a focused strategy on how to implement respective federal and state authorities to navigate the emerging electric grid reliability challenges presented by our nation's need to meet the power demands associated with championing artificial intelligence development and integration into the economy. I encourage you to consider the leadership roles of the Department of Energy (DOE), the Federal Energy Regulatory Commission (FERC) and the Energy Dominance Council in bringing together states in the PJM region to constructively address the energy supply challenges before them, rather than letting those states heap blame on PJM for the problems their own state legislatures have created by passing unreasonable renewable energy mandates and forcing the premature closure of reliable and economic fossil-fueled generation resources. Under your leadership, and that of Administrator Zeldin, the EPA is already making tremendous progress in addressing these issues at the federal level, but the efforts of these states' governors will undermine the federal government's efforts by subordinating the reliability of the electric grid to political whims.

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PJM recently has come under attack from states seeking to change PJM's governance – seeking to influence who comprises PJM's Board of Managers – instead of seeking to find ways to work collectively to solve the electric reliability challenges ahead. PJM's governance is not the problem, and subjecting PJM's governance to politics is not the solution. On its own, PJM cannot assure the reliability of the grid, nor can regional reliability be assured by individual states like Kentucky that require electric-generating resources to be available to fully serve demand in their borders. Avoiding the future reliability crisis will require new ways of collaborating and engaging states that, for several decades now, have leaned upon a dwindling surplus of generation supply, forcing them to step-up to the plate and assure that adequate generation is available to meet their citizens' needs.

The reliability challenge is not far in the future; it is here now. PJM recently conducted an auction to commit generation resources to provide power to the region for a year starting June 1, 2026. For the first time ever, it fell short of its targeted reserve level. PJM forecasts its peak summer demand will rise 9.5 percent by 2030, driven mainly by data center growth.[1] To accommodate such growth, the PJM region will need additional always-available dispatchable generation resources and new transmission infrastructure. The states play an important role in permitting and siting new generation and new transmission. They also play an important role in managing the connection of new loads like data centers, including whether to require the entities that will supply power to those loads to have commitments from generation resources to serve those loads out into the future. Not surprisingly, the Governors leading the charge to politicize PJM preside in states that do not require such commitments, nor do they seek to protect other customers from costs imposed by adding these new large customers. We need to rationalize the connection of these large loads with the connection of new generation and transmission. Otherwise, existing customers, including those in states like Kentucky who are acting responsibly by maintaining dispatchable resources and by adding generation and transmission, will suffer higher prices and rolling blackouts.

Protecting the grid requires every state pulling in the same direction to advance energy policies that protect the grid by assuring adequate generation resources are always available. But, despite the rush to connect new large electric customers like data centers and industries that are returning manufacturing to America, the states I mentioned continue to lean on PJM's wholesale market and have no plans to develop the necessary power sources to serve those loads and ensure reliable service. And worse, they are criticizing the PJM market for not keeping pace with this growing demand, while also seeking to prevent market prices from reflecting the tight supply, thereby disrupting the confidence of those who rely on market price signals to make investment decisions. Such strategies are very short-sighted and will prove extremely disruptive for the nation's power grid and, ultimately, the national economy.

Kentucky's policy-makers wisely have ensured that power providers maintain proven electricity-generating resources—steel in the ground—to serve homes and businesses. Kentucky's power providers must plan for meeting the needs of any new customers that will be connected. Maintaining safe and adequate service does not mean just ensuring that a wire connects the customer, but rather that there are turbines spinning when necessary to power their needs. It is crucial that all states manage the connection and service of these new loads in a manner that ensures there is sufficient generation supply

[1] https://www.pjm.com/-/media/DotCom/library/reports-notices/load-forecast/2025-load-report.pdf

available to serve them. Otherwise, the existing customers, including those served by my electric cooperative in rural Kentucky, will be exposed to both unreasonable electric power price increases and the increased potential of rolling blackouts during peak electric usage periods in the winter and summer.

PROTECT PJM FROM STATE POLITICS

Over the past year, Pennsylvania Gov. Josh Shapiro's political maneuvering managed to distort PJM's neutral, market-driven capacity auction rules, resulting in a cap on auction prices. Predictably, July's PJM capacity auction maxed out at the price cap and failed to send an accurate price signal that would help incentivize the appropriate level of investment in additional reliable generating resources. This comes at a time when practically everybody agrees PJM needs more always-available generating capacity. This approach of imposing government-style price controls disrupts markets and distorts investor confidence. Failure to add new generation supplies to keep pace with the increasing load simply increases the likelihood of rolling blackouts during times of system stress in the summer and winter, which means pain and suffering on the part of some of the most vulnerable people. As importantly, this opens the floodgates for politicians to wield their influence to achieve their own insular outcomes, further undermining the market principles that have driven huge efficiency benefits for the full region for decades.

For a glimpse of what that might look like for PJM's 13-state region, take a look at New Jersey. Since Phil Murphy was elected governor in 2017, that state has shut down 2,500 megawatts of reliable power plant capacity, including all of its coal capacity and a 625 MW nuclear reactor.[2] State law has mandated 50 percent of power come from renewables by 2030.[3] Efforts to replace reliable power plants with off-shore wind fell flat when a private developer pulled out.[4] Meanwhile, about 35 percent of New Jersey's electricity is being imported from outside the state.[5] To the chagrin of most residents, this mismanagement by state policy-makers is forcing New Jersey's electric bills to skyrocket 20 percent.[6] Now, having created an expensive, unreliable mess in his own state, Gov. Murphy heaps blame onto PJM.

Similarly, Maryland has closed 16 coal plants in just over a decade.[7] Since 2005, the amount of electricity generated in Maryland has plummeted by more than 30 percent, while imports of electricity from out-of-state power plants have grown to 40 percent of Maryland's retail power sales.[8] State leaders have mandated half of Maryland's electricity come from renewables by 2035, with dedicated carveouts for

[2] https://www.shorenewsnetwork.com/2025/04/23/new-jersey-faces-mounting-energy-crisis-after-shutdown-of-six-major-power-plants/
[3] https://dep.nj.gov/cleanenergy/nj/
[4] https://www.app.com/story/news/local/land-environment/2025/06/09/company-behind-offshore-wind-project-tells-new-jersey-it-intends-to-cancel-plans/84070417007/
[5] https://insideclimatenews.org/news/17052025/new-jersey-electric-bill-rate-hike/
[6] https://www.app.com/story/money/business/consumer/2025/06/18/nj-electric-bills-postpone-higher-costs-heat-wave-new-jersey-electricity/84259148007/
[7] https://www.bayjournal.com/news/climate_change/closure-of-maryland-s-last-coal-power-plant-may-be-pushed-to-2029/article_636695cd-be67-481d-8595-b776f5e7f745.html
[8] https://www.pjm.com/-/media/DotCom/about-pjm/newsroom/fact-sheets/md-needs-energy-infrastructure-fact-sheet.pdf

solar and wind.[9] Meanwhile, Maryland regulators, in response to upset property owners, are blocking a major transmission line project[10] needed to improve reliability throughout a multi-state region. Maryland itself will gain the greatest benefit, because the new power line will help to accommodate the state's massive power imports.[11] Yet, influential property owners have successfully paralyzed Maryland's government leaders by suggesting the project could benefit data centers in Virginia.[12] Maryland Gov. Wes Moore has supported delaying the project, questioned the benefit to Maryland, and pointed the finger of blame at PJM.[13] With dwindling in-state generation capacity and public outcry over proposed transmission lines to accommodate imports, a former Maryland utility regulator recently told a state legislative panel "the energy outlook in the state of Maryland is dire."[14]

Yet Gov. Moore claims high prices in PJM's capacity auction are a "slap in the face" and he is threatening to sue PJM.[15] It is difficult to imagine what basis Gov. Moore possibly could concoct to sue PJM for the mess he and Maryland's legislature have created; but it is crystal clear that filing lawsuits will do absolutely nothing to fix Maryland's energy crisis.

The Governors whose states' own energy policies have created the reliability crisis in PJM are unwilling to admit their mistakes. Instead, they have chosen to double down on decades of calamitous policy-making by blaming the high prices and persistent reliability problems on PJM. In Maryland, they have even gone so far as to pass state legislation that chills the freedom of speech and freedom of association of members in PJM by forcing these private companies to publicly disclose how they vote on PJM proposals. The veiled threat is that if the PJM members don't support Maryland's political leaders, consequences may follow.

MEETING THE CHALLENGES AHEAD

States with bad energy policies that don't require sufficient generation resources to serve their citizens' needs are intent on bringing their political agendas to the governance of PJM. They will disrupt markets and grid reliability with arbitrary price controls and endless delays. They wish to use PJM's governing processes to impose renewable mandates and restrict reliability in other states in order to "level the playing field," meaning higher prices and lower reliability for everybody in the 13-state region. Perhaps most troubling, these distractions come at a time when PJM clearly needs new, reliable, 24/7 generators, and it needs many of them. PJM's latest load forecast shows annual energy consumption skyrocketing 59.5 percent over the next 10 years, while the peak loads rise at a steep rate of 3.8 percent each year.[16]

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[9] https://dls.maryland.gov/pubs/prod/NatRes/IntroductiontotheRenewableEnergyPortfolioStandard.pdf
[10] https://foxbaltimore.com/news/local/transimission-line-timeline-maryland-pprp
[11] https://frederickcountymd.gov/DocumentCenter/View/354907/MPRP-Needs-and-Benefits-Sheet
[12] https://www.renewableenergyworld.com/power-grid/transmission/an-extension-cord-to-virginia-marylanders-push-back-against-proposed-pjm-transmission-line-carving-through-farmland-2/
[13] https://governor.maryland.gov/news/press/pages/governor-moore%E2%80%99s-statement-on-the-piedmont-reliability-project.aspx
[14] https://www.thebaltimorebanner.com/community/climate-environment/maryland-energy-prices-power-plants-RIJTEHO5ARE6BK3556N3NL5GFA/
[15] https://foxbaltimore.com/news/local/slap-in-the-face-moore-blames-pjm-for-soaring-energy-costs-threatens-legal-action
[16] https://www.pjm.com/-/media/DotCom/library/reports-notices/load-forecast/2025-load-report.pdf

"This forecast captures the dramatic increases in future energy demand, as evidenced by the last two years when data center development has grown exponentially," said Aftab Khan, PJM's Executive Vice President, Operations, Planning & Security. PJM said it could face shortages as early as next year because of a trifecta of rapidly growing demand; steady premature retirements of reliable thermal generators; and the slow addition of new generating resources "with the needed reliability attributes."[17]

PJM is taking steps to remedy the situation. In May, the RTO fast-tracked 51 shovel-ready projects to build or uprate reliable generating resources, which will provide 9,300 MW of reliable power, mainly natural gas and nuclear, over the next few years.[18] In response, renewable developers are crying foul, claiming they are being treated unfairly because reliable, 24/7 generators got prioritized ahead of them in the interconnection review queue.

Solar and wind developers, and their political and media promoters, claim the product they are selling will be the only way to serve data centers, keep the lights on and keep power bills low. In fact, solar and wind require expensive backup generation sources that are cost-prohibitively expensive. It is not rational to believe solar and wind, even with 4-hour utility-scale batteries, will provide the many gigawatts of 24/7/365 electricity required by new factories and data centers. The best way to limit greenhouse gas emissions is to promote development of nuclear resources, and support new fossil plants as a bridge during the development of significant nuclear resources.

The April 28 Spain/Portugal blackout did not get the attention it deserved, but it provided a wakeup call to the world's advanced economies. The United States must not allow its electric grid to fall victim to this type of failure. More than 50 million people lost power for the better part of a day, shutting down transportation, communications, and industries over a wide region. While initial media reports were intent on deflecting blame away from renewables,[19] it has become clear the Spanish/Portuguese grid was leaning heavily on inverter-based resources—mostly solar and wind—lacking the inertia to absorb voltage oscillations that are routinely managed by rotating generators connected to steam, combustion and hydro turbines.[20] The Spain/Portugal blackout was avoidable, but it seems the EU's green ideology prevented regulators from honestly confronting and solving a problem that will only grow as Europe shuts more reliable power plants. We cannot allow this to happen here at home, but that is the path these bad acting states have chosen to follow.

FERC/DOE MUST PROTECT RELIABILITY

If states insist on inappropriately disrupting RTO markets while depending on those same markets to keep their lights on when their own policies fail, FERC must protect the wholesale power markets and impose rules to prevent unreasonable reliance upon—or interfering with—those markets.

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[17] https://insidelines.pjm.com/2025-long-term-load-forecast-report-predicts-significant-increase-in-electricity-demand/
[18] https://insidelines.pjm.com/pjm-chooses-51-generation-resource-projects-to-address-near-term-electricity-demand-growth/
[19] https://www.theguardian.com/world/2025/apr/30/environment-minister-warns-against-blaming-spain-blackout-on-renewable-energy
[20] https://spectrum.ieee.org/spain-grid-failure

Unreasonable reliance increases price and reliability risk for all, even those who do not lean on the markets. For well over a decade, states like New Jersey and Maryland have made repeated policy decisions that led them to become heavily dependent on electricity imports via PJM's market. Clearly, they have failed to incentivize sufficient in-state generating capacity and they are failing to collaborate with neighboring states, upon whom they are leaning, to ensure the permitting and siting of sufficient generation and transmission resource to meet their collective needs.

Blaming PJM for the high price of electricity is self-defeating. PJM is doing its job as well as possible under challenging circumstances. The solution to the reliability crisis is not to tie PJM's hands further by politicizing it, but rather by unshackling it from outside interference and allowing it to operate the world's largest energy market under well-designed free market principles.

I urge you to help prevent a few bad-acting states from wrecking the fair, transparent competitive wholesale markets built by PJM and its many responsible stakeholders over decades. FERC has a responsibility to ensure that does not happen. Additionally, FERC and DOE can play an important role now in convening states to find constructive ways to work together and with PJM and ensure needed generation and transmission resources timely constructed in a timely manner to meet our nation's energy needs reliably and cost-efficiently. All of these efforts will further advance the goals you have set for the Energy Dominance Council in the critical work it is doing to safeguard America's interests in an global environment where energy adequacy will be critical. I encourage you to stay the course on providing practical regulations for U.S. power plants to ensure safe, reliable electricity at reasonable costs. This will provide the basis for the electric industry to serve the needs of America's growing economy, including data centers and new industry.

Sincerely,

Anthony L Campbell

Anthony "Tony" Campbell
President & CEO

CC: Vice President J.D. Vance
U.S. Energy Secretary Chris Wright
U.S. Interior Secretary Doug Burgum, Chairman, National Energy Dominance Council
U.S. EPA Administrator Lee Zeldin
Director Kevin Hassett, National Economic Council
U.S. Senator Mitch McConnell
U.S. Senator Rand Paul
Congressman Andy Barr
Congressman Hal Rogers
Congressman Brett Guthrie, Chairman, House Energy & Commerce Committee
Congressman James Comer
Congressman Thomas Massie

Congressman Morgan McGarvey
U.S. Senator Mike Lee, Chairman, Senate Energy & Natural Resources Committee
Governor Andy Beshear
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