

Mark Takahashi Chair, PJM Board of Managers

2750 Monroe Blvd. Audubon. PA 19403

## VIA Electronic Delivery

December 14, 2023

The Honorable Kent A. Chandler President, Organization of PJM States, Inc.

Dear President Chandler,

Thank you for your letter dated November 28, 2023, wherein the Organization of PJM States, Inc. (OPSI) expressed concerns with PJM's transmission planning processes in maintaining reliability through the energy transition and your desire to collaborate with PJM to address these concerns.

The U.S. electric grid is certainly experiencing a dynamic evolution. Changes in the resource mix coupled with large expected load growth requires that PJM and its stakeholders be both thoughtful and vigilant to ensure that the grid can meet this dynamic change. PJM agrees that processes that may have served us well in the past need to continue to evolve to meet current and future needs of the grid.

An approach to the planning process that includes scenarios for potential future needs may help alleviate issues while maintaining the efficiencies and cost-effectiveness that regional planning provides consumers. There are several stakeholder processes underway that aim to evolve planning, including continued interconnection queue improvements, the efficient transfer of Capacity Interconnection Rights (CIRs) from retiring generation, long-term transmission planning, and enhancements to the deactivation process for retiring generation.

PJM embraces the challenges ahead and appreciates OPSI's expressed desire to work hand in hand with PJM to explore solutions. PJM commits to work toward this end. We appreciated our initial discussion with OPSI in response to your letter, and we look forward to additional discussions and possible joint efforts.

As always, we thank the OPSI body for its thoughtful interactions.

Sincerely,

Mark Takahashi Chair, PJM Board of Managers