

March 18, 2024

Mark Takahashi  
Chairman  
The PJM Board of Managers  
PJM Interconnection, LLC  
2750 Monroe Boulevard  
Audubon, PA 19403

VIA EMAIL  
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Dear Chairman Takahashi:

It has come to my attention that PJM has elected to utilize a set of procedures reserved for quick fixes to your operating manuals to fundamentally alter how energy efficiency participates in your capacity market. In fact, I understand that the changes PJM are proposing will eliminate most or all of the currently participating energy efficiency from the market – since, among other issues, it effectively prohibits the aggregation of energy efficiency measures through the supply chain, such as Big Box Retailers.

PJM has no reason to believe that Big Box Retailer will provide each customer's mailing address for every LED light bulb or can of spray-foam insulation purchased and yet without regard for the impact of this change is rushing to include this requirement in its manual. This type of fundamental change to the marketplace should not have been pursued using the "quick fix" process and instead should have been carefully vetted and considered before making a formal tariff change at the Federal Energy Regulatory Commission. I would highly recommended that you continue pursuing the established stakeholder process to address the resolution of energy efficiency issues.

I, and many others, understand and believe that energy efficiency is an important part of the mix of resources that will enable an affordable energy transition. In this moment of increasing energy demand, we believe that the energy future must include "all of the above" resources. If you wish to go back to the Federal Energy Regulatory Commission to clarify the role of energy efficiency in your marketplace, I strongly hope that it will be from the perspective of how to make energy efficiency a more robust resource in your marketplace, not simply a request to excise it. I am submitting this letter personally and individually rather than on behalf of the North Carolina Utilities Commission.

Sincerely,  
**/s/Floyd B. McKissick, Jr.**  
N.C. Utilities Commissioner

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