Talen Energy Corporation and
PJM Interconnection, L.L.C.
Regarding H.A. Wagner Generating Station Unit 4

Order No. 202-26-25B

Pursuant to the authority vested in the Secretary of Energy (Secretary) by section 202(c) of the Federal Power Act (FPA),[1] and section 301(b) of the Department of Energy (DOE or the Department) Organization Act,[2] and for the reasons set forth below, I hereby determine that a statutory emergency exists in the PJM Interconnection, L.L.C. (PJM) region due to a sudden increase in the demand for electric energy, or a shortage of electric energy or of facilities for the generation or transmission of electric energy, and other causes. I direct PJM and Talen Energy Corporation (Talen) to comply with this Order. Issuance of this Order will meet the emergency and serve the public interest.

BACKGROUND

On May 21, 2026, PJM submitted a request for an emergency order under FPA section 202(c) (Original Application) to DOE to preserve the reliability of the bulk electric power system in the PJM region, including the Baltimore Gas and Electric Company (BG&E) and Potomac Electric Power Company (PEPCO) zones. PJM requested an order effective as of May 22, 2026.[3]

The H.A. Wagner Generating Station Unit 4 (Wagner Unit 4) is located in Anne Arundel County, Maryland. Wagner Unit 4 is a 397 MW (summer rating) unit, constrained by an Operating Limit of no more than 438 hours of operation per calendar year when burning fuel oil of which, at the time of the Original Application, fewer than 28 hours of run time remained.[4] This Operating Limit is contained in a Consent Order entered into by Raven Power Ft. Smallwood, LLC, a subsidiary of Talen, and the Maryland Department of the Environment, which was submitted to the Environmental Protection Agency (EPA) on January 31, 2020.[5] PJM sought an emergency order pursuant to section 202(c) to allow for the dispatch and operation of Wagner Unit 4 beyond its applicable Operating Limit, in compliance with a dispatch methodology and other parameters set forth in the PJM Applications, for the duration of 90 days in each of its respective emergency order requests.[6]

By the time of its August 4, 2026 Application, PJM had estimated that Wagner Unit 4 had zero hours of run time remaining to operate for the duration of calendar year

[1] 16 U.S.C. § 824a(c).
[2] 42 U.S.C. § 7151(b).
[3] *See* Original Application at 1.
[4] July 21, 2025 Application at 2; Original Application at 2–4.
[5] July 21, 2025 Application at 2.
[6] Original Application at 1, 3–4; August 4, 2026 Application at 1, 3–4.

2026.[7] PJM stated that the inability to run Wagner Unit 4 could result in adverse reliability impacts to service in the BG&E and PEPCO zones and within PJM's service territory more broadly.[8] PJM anticipated the continued need to schedule Wagner Unit 4 in order to maintain reliable system operations during projected peak demand and/or increased flows on transmission facilities that are required to serve the BG&E and PEPCO zones.[9] PJM anticipated that it would need to dispatch Wagner Unit 4 when forecast temperatures were high.[10] Due to the need to "rely on Wagner Unit 4 during the atypically high temperatures in mid-May, late June/ early- July and mid- July, when peak loads exceeded 168,000 MW," PJM assessed that in such circumstances there were insufficient run hours remaining because of the Operating Limits on Wagner Unit 4.[11] PJM also noted that Wagner 4 was dispatched during the first half of the summer due to high temperature periods.[12] PJM further stated that additional circumstances that could cause the need for increased scheduling of Wagner Unit 4 include high system demand, additional transmission facility outages, and generation outages or a combination of these factors.[13]

CONTINUING EMERGENCY CONDITIONS

On October 23, 2026, PJM submitted an application pursuant to FPA section 202(c) and Order No. 202-26-25 (Renewal Application), requesting a 44-day renewal of the August 20 Order (No. 202-26-25A) to alleviate the emergency as described in its previous applications and as further described in its Renewal Application.[14]

Based on PJM's estimation in its August 4, 2026 Application that Wagner Unit 4 has zero hours of run time remaining to operate for the duration of calendar year 2026,[15] Wagner Unit 4 may need to discontinue operations or it could operate beyond its Operating Limit.[16] For the remainder of 2026, PJM anticipates the continued need to schedule Wagner Unit 4 in order to maintain reliable system operations during projected peak demand and/or increased flows on transmission facilities that are required to serve the BG&E and other zones in the PJM region.[17]

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[7] August 4, 2026 Application at 2, 4.

[8] *Id.* at 3–4.

[9] *Id.* at 4–5.

[10] *Id.* at 4.

[11] *Id.*

[12] *Id.*

[13] July 21, 2025 Application at 9.

[14] *See* Original Application at 1-2; August 4, 2026 Application at 1-2; Renewal Application at 1-2.

[15] *See* August 4, 2026 Application at 2, 4; Renewal Application at 2, 4.

[16] Renewal Application at 2, 4.

[17] *Id*. at 4.

PJM states that its request is necessary given the continued nature of the emergency, particularly as PJM supports the grid through the 2026-2027 winter season.[18] Further, PJM notes that Wagner Unit 4 will exceed its Operating Limit during the period when PJM would need to dispatch the unit.[19] PJM further states that it has had to rely on Wagner Unit 4 during atypically high and low temperatures during this calendar year.[20] The production of electricity from Wagner Unit 4 will continue to be a critical asset to maintain reliability in PJM because, as discussed below, there is an electricity shortage in the area that is acute that is not being timely addressed by planning for resource adequacy by the state, its utilities, or a regional entity.[21]

Additionally, PJM's resource adequacy concerns were also demonstrated during Winter Storm Fern, when PJM operated under a cold weather alert and declared conservative operations from January 24 to February 2, 2026. Due to concerns about resource adequacy from the high demand driven by the extreme cold, PJM also applied for an order pursuant to FPA section 202(c) "that broadly authorizes all electric generating units located within the PJM region to operate up to their maximum generation output levels, notwithstanding air quality or other permit limitations or fuel shortages during the pendency of this emergency."[22] DOE granted PJM's application and issued Order No. 202-26-02 on January 25, 2026.[23] From January 27, 2026, until early February 2026, PJM issued multiple alerts and warnings.[24]

On January 29, 2026, PJM applied for an extension of Order No. 202-26-02, which was designated as Order No. 202-26-02A, and was granted by the Department on the same day.[25] Furthermore, on March 17, 2026, in his testimony to the House Committee on Energy and Commerce, North American Electric Reliability Corporation (NERC) Chief Executive Officer Jim Robb stated that "PJM and other grid operators indicated that 202(c) facilities made material contributions" with regard to reliability

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[18] *Id*.

[19] *Id.*

[20] *Id.*

[21] DOE acknowledges that on September 11, 2026, the United States Court of Appeals for the District of Columbia Circuit issued an opinion interpreting DOE's FPA section 202(c) authority. *People of the State of Michigan v. U.S. Dep't of Energy, et al.*, 191 F.4th 677 (D.C. Cir. 2026). DOE disagrees with the *Michigan* decision and has filed a petition for rehearing en banc in the Court of Appeals. Fed. Resp'ts' Pet. for Reh'g En Banc or Panel Reh'g, *People of the State of Michigan v. U.S. Dep't of Energy, et al.,* No. 25-1159 (D.C. Cir. Oct. 26, 2026). In any event, this order is consistent with the opinion in *Michigan*.

[22] Letter from Michael E. Bryson, Senior Vice Pres., Operations, PJM, to Hon. Chris Wright, Sec'y, DOE, at 2 (Jan. 24, 2026) (requesting emergency order under FPA section 202(c)), https://www.energy.gov/documents/pjm-202c-application-2026-01-24.

[23] *PJM Interconnection, L.L.C.*, Order No. 202-26-02 (Jan. 25, 2026).

[24] *See* Jan. 27 PJM Cold Weather Operations Update, PJM Inside Lines (Jan. 27, 2026), https://insidelines.pjm.com/jan-26-pjm-cold-weather-operations-update/.

[25] *PJM Interconnection, L.L.C.*, Order No. 202-26-02A (Jan. 29, 2026).

during Winter Storm Fern.[26] DOE also issued orders 202-26-41, 202-26-45, and 202-26-50 in September and October 2026,[27] as PJM requested emergency orders for backup and non-backup due to the region experiencing, "elevated electric demand, generation outages, planned transmission outages, and significant firm export obligations."[28] These emergency orders assisted by ensuring PJM could meet electric demand and maintain reliability in the region.

PJM has indicated that the electricity output from Wagner Unit 4, when generated beyond its Operating Limit, would be needed to avoid firm load shedding that may be required under certain system conditions or transmission limitations especially impacting the BG&E zone, but also the PEPCO zone or other zones in the PJM region, depending upon the circumstances.[29] Additionally, absent this order, in the limited circumstances when PJM is operating pursuant to its emergency procedures, PJM anticipates that residences, as well as numerous critical facilities, may lose electric services to all or parts of their facilities due to the lack of adequate generation or transmission.[30] Lastly, PJM has indicated that Talen "does not oppose" its request for relief under section 202(c) and will operate Wagner Unit 4 in accordance with this Order and the Settlement Agreement approved by the Federal Energy Regulatory Commission (FERC) in Docket No. ER24-1787 on May 1, 2025.[31]

Overall, neither PJM nor Maryland nor any state within the PJM service territory has timely taken steps to avert this risk to reliability. Further, no one state alone has taken

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[26] *Winter Storm Fern Lessons: Supplying Reliable Power to Meet Peak Demand; Hearing Before the House Comm. on Energy & Com., Subcomm. on Energy*, 119th Cong. 8 (2026) (statement of James B. Robb, President and CEO, NERC), https://www.congress.gov/119/meeting/house/119077/witnesses/HHRG-119-IF03-Wstate-RobbJ-20260317.pdf.

[27] *See* DOE, *2026 DOE 202(c) Orders*, https://www.energy.gov/ceser/2026-doe-202c-orders.

[28] Letter from Michael Bryson, Sr. Vice President of Operations, PJM Interconnection, LLC, to Hon. Chris Wright, Sec'y, DOE (Sep. 1, 2026) (regarding Request for Emergency Order Under Federal Power Act, Section 202(c), Encompassing Relief for Both Specified Resources and the Operation of Backup Generation Resources), https://www.energy.gov/documents/pjms-202c-application-202-26-41; Letter from Frederick "Stu" Bresler, Chief Oper. Officer, PJM Interconnection, LLC, to Hon. Chris Wright, Sec'y, DOE (Sep. 16, 2026) (regarding Relief for Both Specified Resources and the Operation of Backup), https://www.energy.gov/documents/pjms-202c-application-202-26-45; Letter from Michael Bryson, Sr. Vice President of Operations, PJM Interconnection, LLC, to Hon. Chris Wright, Sec'y, DOE (Oct 11, 2026) (regarding Request for Emergency Order Under Federal Power Act, Section 202(c), Encompassing Relief for Both Specified Resources and the Operation of Backup Generation Resources), https://www.energy.gov/documents/pjms-202c-application-202-26-50.

[29] Renewal Application at 6.

[30] *Id.* at 4.

[31] *Id.* at 2 (referring to *H.A. Wagner LLC*, 191 FERC ¶ 61,098 (2025)).

or could take appropriate actions to support the short- and long-term resource capacity needs here. States and their utilities are subject to environmental compliance and other commitments made during decades long resource adequacy planning procedures that are not nimbly adjusted when faced with an unexpected and substantial energy supply shortfall. Moreover, under the current multi-state electric system, individual states are not incentivized to consider regional reliability needs for resource planning.

DESCRIPTION OF MITIGATION MEASURES

PJM has indicated that it sought to modify the Operating Limit for Wagner Unit 4 but was unable to do so. The Maryland Department of the Environment and EPA regional office informed PJM that modification of a condition of the Maryland State Implementation Plan, on which the Consent Order is based, is a lengthy process that will not result in immediate relief.[32] PJM thus continues to minimize the runtime of Wagner Unit 4 to date and is seeking to continue to take actions to minimize the need to call upon Wagner Unit 4 to operate in excess of its Operating Limit.[33] Specifically, PJM stated they have updated operating procedures for committing generation in the BG&E zone to take into account unit limitations and environmental permit limits.[34] PJM has also stated they have continued coordinating generator and transmission outages at appropriate forecasted load levels to minimize the need to run Wagner Unit 4 to mitigate transmission limitations impacting the BG&E zone that could result in firm load shed.[35]

REQUEST FOR ORDER

PJM requests that the Secretary issue an Order immediately, effective November 18, 2026, for a period of 44 days authorizing Wagner Unit 4 to operate in exceedance of its Operating Limit only if certain conditions as described in PJM's application are met.[36]

ORDER

FPA section 202(c)(1) provides that whenever the Secretary determines "that an emergency exists by reason of a sudden increase in the demand for electric energy, or a shortage of electric energy or of facilities for the generation or transmission of electric energy," the Secretary has the authority "to require by order . . . such generation, delivery, interchange, or transmission of electric energy as in [his] judgment will best meet the

[32] *See id.* at 5.
[33] *See id.* at 4.
[34] *Id.* at 5.
[35] *Id.* at 6.
[36] *Id.* at 2.

emergency and serve the public interest."[37] This statutory language constitutes a specific grant of authority to the Secretary to require the continued operation of Wagner Unit 4 when the Secretary has determined that such operation will best meet an emergency.

I identify a risk of substantial energy supply shortfall in the PJM region, namely rising electricity demand coupled with a decrease in the availability of dispatchable generation. I also identify a risk of substantial harm from this inadequate electricity supply, as blackouts resulting from the shortfall are probable and could substantially harm public health and safety. Further, I find the state and regional entities have not and will not timely take steps that must be taken immediately to achieve adequate reliability. As such, the identified risk of substantial harm calls for immediate action by DOE in particular, as opposed to by the states or regional entities, since coordinated state and regional resource adequacy planning, available per FPA section 202(a) and (b), has proven inadequate to timely address the identified risk.

Given the responsibility of PJM to ensure maximum reliability of its system, and the ability of PJM to identify and dispatch generation resources necessary to meet load requirements, I have determined that, under the conditions specified below, additional dispatch of Wagner Unit 4 is necessary to best meet the emergency and serve the public interest for purposes of FPA section 202(c). This determination is based on the expected electricity demand, the shortage of electric energy, the shortage of facilities for the generation of electric energy, and other causes, and the loss of power to homes and businesses, presenting a risk to public health and safety.

Since the additional generation may result in a conflict with environmental standards and requirements, I am authorizing only the necessary additional generation on the conditions contained in this Order, with the reporting requirements as described below. Therefore, to minimize adverse environmental impacts, this Order limits operation of Wagner Unit 4 to the times and within the parameters determined by PJM for reliability purposes.

I have determined that, to best meet the statutory emergency arising from increased demand, determined shortage, and other causes, and to serve the public interest under FPA section 202(c), Wagner Unit 4 shall be made available for operation through December 31, 2026.

Based on my determination of an emergency set forth above, I hereby order:

A. In the event that PJM determines that generation from Wagner Unit 4 is necessary to meet the electricity demand that PJM anticipates in its service territory, I direct PJM to dispatch such unit and to order its operation only during the hours necessary to

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[37] Although the text of FPA section 202(c) grants this authority to "the Commission," section 301(b) of the Department of Energy Organization Act transferred this authority to the Secretary of the Department of Energy. *See* 42 U.S.C. § 7151(b).

meet the emergency and to minimize costs to ratepayers. Specifically, this Order authorizes the operation of Wagner Unit 4 beyond its Operating Limit for when PJM:

(i) Declares or anticipates declaring based on system conditions, a Maximum Generation Alert and/or Transmission Security Emergency (to include conditions impacting the reliability of transmission facilities that are required to serve the load in the BG&E zone, the PEPCO zone, or other zones in the PJM region, or to prevent potential load shed due to transmission limitations); or

(ii) To the extent not otherwise covered by the above, schedules and dispatches Wagner Unit 4 in a manner consistent with the Settlement Agreement accepted by the FERC in Docket No. ER24-1787.[38]

B. Once PJM declares that the emergency event has ended, and the respective Maximum Generation Alert has been discontinued and/or Transmission Security Emergency has ended, Wagner Unit 4 must cease operations above its Operating Limit in a manner consistent with its operating parameters.

C. If Wagner Unit 4 has been dispatched and operated in reliance on this Order, PJM shall provide the business day following the dispatch and operation, notification to the Department of Energy via AskCR@hq.doe.gov. Such notification shall include information on levels of exceedance of the annual Operating Limit.

D. While operating Wagner Unit 4 under the emergency conditions, PJM shall comply, to the maximum extent practicable, with applicable laws and regulations including the applicable orders for Wagner Unit 4. This Order does not provide relief from any obligation to pay fees or purchase offsets or allowances for emissions that occur during the emergency condition or to use other geographic or temporal flexibilities available to generators.

E. PJM shall also provide such additional information regarding the environmental impacts of this Order and its compliance with the conditions of this Order, in each case as requested by the Department of Energy from time to time.

F. This Order shall not preclude the need for Wagner Unit 4 to comply with applicable state, local, or Federal law or regulations following the expiration of this Order.

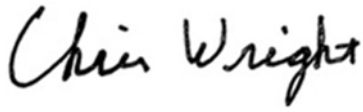
G. This Order expects PJM to comply with its commitments made regarding notifications as detailed in the "Notification and Dispatch Procedures" section on pages 6 and 7 of its Application.

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[38] Renewal Application at 3–4 (referring to section 3.3(a) of the Settlement Agreement).

H. This Order shall be effective from November 18, 2026, through December 31, 2026, with the exception of applicable compliance obligations in paragraph E. Renewal of this Order, should it be needed, must be requested before this Order expires.

Issued in Washington, D.C. on this 17th day of November 2026.



Chris Wright
Secretary of Energy

cc: **Federal Energy Regulatory Commission**
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Commissioner David Rosner
Commissioner Lindsay S. See
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Commissioner David A. LaCerte

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