Department of Energy
Washington, DC 20585

Order No. 202-26-06

Pursuant to the authority vested in the Secretary of Energy by section 202(c) of the Federal Power Act (FPA),[1] and section 301(b) of the Department of Energy (DOE) 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,[3] due to a sudden increase in demand, a shortage of electric energy, a shortage of facilities for the generation of electric energy, and other causes. I direct PJM and backup generation resources defined below to comply with this Order.[4] Issuance of this Order will meet the emergency and serve the public interest.

BACKGROUND

Throughout the United States, demand is outpacing generation supply. Generation resource inadequacy is especially problematic during prolonged winter cold snaps. According to the North American Electric Reliability Corporation (NERC), "[w]inter electricity demand is rising at the fastest rate in recent years," and the "total internal demand for the [bulk power system] is forecast to increase by 20.2 GW (2.5%) over last winter's forecast.[5] While NERC assesses that there are "adequate resources for normal winter peak-load conditions," NERC cautions that "more extreme winter conditions extending over a wide area could result in electricity supply shortfalls."[6] According to

[1] 16 U.S.C. § 824a(c).

[2] 42 U.S.C. § 7151(b).

[3] PJM serves as the Reliability Coordinator and Balancing Authority for its region and is, therefore, responsible for overseeing the dispatch of generation to meet system demand at all times within the limits of the transmission system. The PJM region includes all or parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia, and the District of Columbia.

[4] For all geographical or electrical areas of the Bulk Power System, all areas are under the oversight of one and only one Reliability Coordinator. NERC Rules of Procedure, section 501.1.4.1. All Balancing Authorities are under the responsibility of one and only one Reliability Coordinator. *Id.*, section 501.1.4.2. All Loads and generators are under the responsibility and control of one and only one Balancing Authority. *Id.*, section 501.1.4.4.

[5] *2025-2026 Winter Reliability Assessment*, NERC (NERC 2025-2026 Winter Assessment), at 8 (November 2025), https://www.nerc.com/globalassets/our-work/assessments/nerc_wra_2025.pdf. The NERC 2025-2026 Winter Assessment "identifies, assesses, and reports on areas of concern regarding the reliability of the North American [bulk power system] for the upcoming winter season." *Id*. at 4.

[6] *Id.* at 5.

NERC, areas in the continental United States are at an elevated risk during extreme cold, which jeopardizes American lives, our economy, and national security.[7]

Under President Trump's leadership, this administration is determined to take swift and decisive action to protect the American people from tragedies, such as Winter Storm Uri, which resulted in "billions of dollars in damages and over 200 deaths."[8]

In Executive Order 14156, "Declaring a National Energy Emergency," President Trump determined that the "United States' insufficient energy production, transportation, refining, and generation constitutes an unusual and extraordinary threat to our Nation's economy, national security, and foreign policy."[9] In Executive Order 14262, "Strengthening the Reliability and Security of the United States Electric Grid," President Trump emphasized that "the United States is experiencing an unprecedented surge in electricity demand driven by rapid technological advancements, including the expansion of artificial intelligence data centers and increase in domestic manufacturing."[10] These Executive Orders underscore the dire energy challenges facing the Nation due to growing resource adequacy concerns.

The Department's July 2025 "Resource Adequacy Report: Evaluating the Reliability and Security of the United States Electric Grid," issued pursuant to the President's directive in Executive Order 14262, details the myriad challenges affecting the Nation's energy systems. "Absent decisive intervention, the Nation's power grid will be unable to meet projected demand for manufacturing, re-industrialization, and data centers driving artificial intelligence (AI) innovation."[11] The prolific growth of data centers for the development of AI, as well as their immense energy needs, presents a new and increasing source of load growth.

In July 2025, President Trump released America's AI Action Plan for Winning the Race.[12] It recognizes that the "U.S. electric grid is one of the largest and most complex machines on Earth" . . . [that] will need to be upgraded to support data centers and other energy-intensive industries

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[7] *Id.* at 6.

[8] *The February 2021 Cold Weather Outages in Texas and the South Central United States*, FERC, NERC, and Regional Entity Staff Report, at 234 (November 2021), https://www.ferc.gov/media/february-2021-cold-weather-outages-texas-and-south-central-united-states-ferc-nerc-and. *See id.* at 189 ("Millions went without heat, lights, refrigeration, and water for days during the Event. Hundreds died from hypothermia or trying to keep warm, in their homes, in their beds.").

[9] Executive Order No. 14156, 90 Fed. Reg. 8433 (Jan. 20, 2025) (Declaring a National Energy Emergency), https://www.whitehouse.gov/presidential-actions/2025/01/declaring-a-national-energy-emergency/.

[10] Executive Order No. 14262, 90 Fed. Reg. 15521 (Apr. 8, 2025) (Strengthening the Reliability and Security of the United States Electric Grid), https://www.whitehouse.gov/presidential-actions/2025/04/strengthening-the-reliability-and-security-of-the-united-states-electric-grid/.

[11] Resource Adequacy Report: Evaluating the Reliability and Security of the United States Electric Grid, U.S. Department of Energy at 1(July 2025), https://www.energy.gov/sites/default/files/2025-7/DOE%20Final%20EO%20Report%20%28FINAL%20JULY%207%29.pdf.

[12] https://www.whitehouse.gov/wp-content/uploads/2025/07/Americas-AI-Action-Plan.pdf.

of the future."[13] That plan recommended that we stabilize the grid of today as much as possible, including leveraging extant backup power sources to bolster grid reliability during peak demand and optimize existing grid resources as much as possible, including investigating "new and novel ways for large power consumers to manage their power consumption during critical grid periods to enhance reliability and unlock additional power on the system."[14]

NERC-certified Reliability Coordinators and Balancing Authorities[15] are responsible for identifying and addressing emergency conditions on the bulk power system. As discussed below, this is squarely addressed in the mandatory and enforceable NERC Reliability Standard EOP-011-4. Today, calls for voluntary curtailment are authorized under that standard. However, today's action gives Reliability Coordinators and Balancing Authorities another tool to avoid the impacts experienced as a result of Winter Storm Uri.

Currently, there are tens of gigawatts of readily available backup generation that have remained largely untapped until now. Deployment of backup generation resources (whether auxiliary, standby, directly-connected, battery storage or other, and whether synchronized or not to the bulk power system) at data centers (including, but not limited to, hyperscaler facilities), and at other large load industrial and commercial customer sites, can prevent avoidable blackouts, thereby saving lives and reducing costs to the American people.

APPLICATION OF EOP-011-4

Section 215 of the Federal Power Act[16] established a framework for development and implementation of mandatory and enforceable Reliability Standards that apply to Bulk Power System owners, operators, and users, such as Reliability Coordinators and Balancing Authorities. NERC certifies Reliability Coordinators and Balancing Authorities pursuant to an Organization Certification program set forth in its Rules of Procedure,[17] because of the significant roles these two functional entity category types have in ensuring bulk power system reliability. A Reliability Coordinator is defined as:

> the entity that is the highest level of authority who is responsible for the Reliable Operation of the [Bulk Electric System (BES)], has the Wide Area view of the BES, and has the operating tools, processes, and procedures, including the authority to prevent or mitigate emergency operating situations in both next-day analysis and real-time operations. The Reliability Coordinator has the purview that is broad enough to enable the calculation of Interconnection Reliability Operating Limits, which may be based on the operating parameters of transmission systems beyond any Transmission Operator's vision.[18]

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[13] *Id.* at 15.

[14] *Id.*

[15] The North American Electric Reliability Corporation (NERC) certifies Reliability Coordinators and Balancing Authorities in accordance with its Rules of Procedures.

[16] 16 U.S.C. § 824o.

[17] *See generally* NERC Rules of Procedure, https://www.nerc.com/globalassets/who-we-are/rules-of-procedure/nerc-rop-effective-20231128_with-appendicies.pdf; *see also id.* section 500.

[18] NERC Rules of Procedure, Appendix 5B; *see also id.* Appendix 2. Other capitalized terms in

A Balancing Authority is "the responsible entity that integrates resource plans ahead of time, maintains Load-interchange-generation balance within a Balancing Authority Area, and supports Interconnection frequency in real time."[19]

Because of the criticality of their respective roles, Reliability Coordinators and Balancing Authorities are subject to NERC's Organization Certification Program to ensure that they have "the tools, processes, training, and procedures to demonstrate their ability to meet the Requirements/sub-Requirements of all of the Reliability Standards applicable to the function(s) . . . ."[20]

NERC Reliability Standard EOP-011-4 addresses Emergency Operations. Requirement 2 states "[e]ach Balancing Authority shall develop, maintain, and implement one or more Reliability Coordinator-reviewed Operating Plan(s) to mitigate Capacity Emergencies and Energy Emergencies within its Balancing Authority Area." Balancing Authorities are responsible for requesting that their respective Reliability Coordinators issue an Energy Emergency Alert in accordance with Requirement 2 and Attachment 1 to EOP-011-4. Among other things, Balancing Authorities are authorized to make "[p]ublic appeals for voluntary Load reductions" in Requirement 2.2.4. Balancing Authority Operating plans must include provisions in accordance with Requirement 2.2.9 for "Transmission Operators to implement operator-controlled manual Load shedding, undervoltage Load shedding, or underfrequency Load shedding" and provisions in accordance with Requirement 2.2.10 to determine reliability impacts of cold weather conditions.

According to Requirement 5,

> Each Reliability Coordinator that receives an Emergency notification from a Transmission Operator or Balancing Authority within its Reliability Coordinator Area shall notify, within 30 minutes from the time of receiving notification, other Balancing Authorities and Transmission Operators in its Reliability Coordinator Area, and neighboring Reliability Coordinators.

According to Requirement 6,

> Each Reliability Coordinator that has a Balancing Authority experiencing a potential or actual Energy Emergency within its Reliability Coordinator Area shall declare an Energy Emergency Alert, as detailed in Attachment 1.

Attachment 1 provides,

> **Initiation by Reliability Coordinator.** An Energy Emergency Alert (EEA) may be initiated only by a Reliability Coordinator at 1) the Reliability Coordinator's own request, or 2) upon the request of an energy deficient Balancing Authority.

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this definition also are defined in the NERC Rules of Procedure at Appendix 2.

[19] NERC Rules of Procedure, Appendix 5B; *see also id.* Appendix 2.

[20] NERC Rules of Procedure, section 501.

To ensure that all Reliability Coordinators clearly understand potential and actual Energy Emergencies in the Interconnection, NERC has established three levels of EEAs. The Reliability Coordinators will use these terms when communicating Energy Emergencies to each other. An EEA is an Emergency procedure, not a daily operating practice, and is not intended as an alternative to compliance with NERC Reliability Standards.

The Reliability Coordinator may declare whatever alert level is necessary, and need not proceed through the alerts sequentially.

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Before requesting an EEA 3, the energy deficient Balancing Authority must make use of all available resources; this includes, but is not limited to:

2.5.1 All available generation units are on line. All generation capable of being on line in the time frame of the Emergency is on line.

2.5.2 Demand-Side Management. Activate Demand-Side Management within provisions of any applicable agreements.

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3.3.1 Energy deficient Balancing Authority obligations. The energy deficient Balancing Authority, upon notification from its Reliability Coordinator of the situation, will immediately take whatever actions are necessary to mitigate any undue risk to the Interconnection. These actions may include Load shedding.

Of particular note, NERC's 2025-2026 Winter Assessment recognizes that "[p]roactive issuance of winter advisories and other steps directed at generator availability contributed to improved reliability during cold weather events of the past two winters."[21] NERC further cautions that Reliability Coordinators and Balancing Authorities "should prepare their operating plans to manage potential supply shortfalls and take proactive steps for generator readiness, fuel availability, load curtailment, and sustained operations in extreme conditions."[22]

EMERGENCY SITUATION

Winter Storm Fern poses significant risks to electric reliability in the Reliability Coordinator's footprint. Consistent with NERC's cautionary notes and this Administration's commitment to grid stability, this order seeks to unlock and deploy backup generation resources (whether auxiliary, standby, directly-connected, battery storage or other, and whether synchronized or not to the bulk power system) at data centers (including, but not limited to, hyperscaler facilities), and at other large load industrial and commercial customer sites as another tool to mitigate any undue risk to the bulk power system. The employment of this backup generation is expected to reduce stress on the grid. This will permit orderly, safe, and secure operations during Winter Storm Fern.

[21] NERC 2025-2026 Winter Assessment at 7.

[22] *Id*.

Consistent with my letter issued on January 22, 2026, regarding the deployment of backup generation during emergency conditions, PJM filed a *Request for Emergency Order Under Federal Power Act, Section 202(c)* (Application) with DOE to authorize "PJM in collaboration with its Transmission Owners to direct the deployment of customer-owned backup generation facilities if needed to avoid or mitigate an [EEA 3] during the current extreme winter weather event designated Winter Storm Fern and accompanied by extreme cold temperatures and wind chills currently affecting some of all of the states within PJM's region."[23]

ORDER

FPA section 202(c)(1) provides that whenever the Secretary of Energy 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," then the Secretary has the authority "to require by order . . . such generation, delivery, interchange, or transmission of electric energy as in its judgment will best meet the emergency and serve the public interest."[24] This statutory language constitutes a specific grant of authority to the Secretary to authorize the operation of generation, delivery, and transmission resources that the Secretary has determined will best meet an emergency.

I have made the determination that an emergency exists, due to an abrupt, unexpected increase in demand for electric energy relative to prior forecasts, a shortage of electric energy, a shortage of facilities for the generation of electric energy, and other causes. As discussed above, taking into account the historical data, past projections and planning, and the projections for this winter season, including Winter Storm Fern, together with the increasing demand for electricity that has substantially outpaced net generating capacity additions, a statutory emergency exists this winter across the continental United States. As noted above, NERC has warned that winter electricity demand is rising at the fastest rate in recent years and the total internal demand for the bulk power system is forecast to increase by 20.2 GW (2.5%) over last winter's forecast. Even prolonged cold snaps can be expected to lead to the potential loss of power to homes and businesses in the areas that may be affected by curtailments or power outages, presenting a risk to public health and safety during this winter.

To best meet the emergency and serve the public interest, backup generation resources shall be made available to run during the emergency conditions specified below.

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

A. From January 26, 2026, PJM, in collaboration with its Transmission Owners, is authorized to direct backup generation resources at data centers (including, but not limited to, hyperscaler facilities), and at other large load industrial and commercial customer sites (whether auxiliary, standby, directly-connected, battery storage or other, and whether synchronized or not to the bulk power power system), to operate as a last resort before declaring an Energy Emergency Alert (EEA) 3

[23] Application at 1. The instant PJM request is in addition to the relief provided in DOE Order No. 202-26-02 (Jan. 24, 2026), which authorizes PJM to dispatch generation units (Specified Resources) as needed to maintain reliability.

[24] 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).

(i.e., before firm load interruption) or during an EEA 3.[25]

B. This Order requires the operation of the backup generation resources described in paragraph A. Following the conclusion of the EEA conditions described in paragraph A, sufficient time for orderly ramp down is permitted, consistent with industry practices.

C. This order is not applicable to any backup generation resource serving a critical reliability or backup need, including those at defense, homeland security, first responder, air traffic control, hospital facilities, 911 call centers, water treatment or wastewater facilities, natural gas pipeline facilities, natural gas gathering facilities, or other similar facilities.

D. To minimize adverse environmental impacts, this Order limits operation of deployed units to the times and within the parameters as determined by PJM pursuant to paragraphs A-C.

E. All operations of backup generation resources authorized under this order must otherwise comply with ancillary environmental requirements, including, but not limited to, monitoring, reporting, and recordkeeping requirements, to the maximum extent feasible while operating consistent with the emergency conditions. 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.

F. PJM shall provide notification to the Department (via AskCR@hq.doe.gov) within one day following the date any backup generation resources have been directed to operate pursuant to this Order. The reporting shall include a list of all backup generation resources directed to operate pursuant to this Order. PJM shall provide such additional information regarding the environmental and other impacts of this Order and their compliance with the conditions of this Order, as requested by the Department of Energy from time to time.

G. Each party affected by this order is directed to file with the Federal Energy Regulatory Commission any tariff, tariff revisions or waivers necessary to effectuate this Order, as applicable. Rate recovery is available pursuant to 16 U.S.C. § 824a(c).

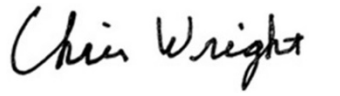
H. This Order shall not preclude the need for the backup generation resources subject to this Order to comply with applicable state, local, or Federal law or regulations following the expiration of this Order.

I. Because this Order is predicated on the shortage of facilities for generation of electric energy and other causes, any backup generation resource subject to this Order shall not be considered a capacity resource.

J. This Order shall be effective upon its issuance and shall expire at 11:59 PM EST on January 31 2026, with the exception of the above reporting requirements and compliance obligations, as applicable. Renewal of this Order, should it be needed, must be requested before this Order expires.

[25] *See* NERC Reliability Standard EOP-011-4, Attachment 1, at 3.1 ("The Reliability Coordinators and the energy deficient Balancing Authority shall continue to take all actions initiated during EEA 2.").

Issued in Washington, D.C. at 6:58 PM EST on this 26th day of January 2026.



Chris Wright
Secretary of Energy

cc: **FERC Commissioners**
Chairman Laura V. Swett
Commissioner David Rosner
Commissioner Lindsay S. See
Commissioner Judy W. Chang
Commissioner David A. LaCerte

State Commissioners
See Attachment B

Attachment A: State Contact Information The table below provides contact information for state commissioners whose states are within PJM's service territory.

State	Office	Name
DC	Public Service Commission of the District of Columbia	Emile C. Thompson (Chairman)
		Richard A. Beverly
		Ted Trabue
DE	Delaware Public Service Commission	Dallas Winslow (Chairman)
		Joanne T. Conaway
		Kim F. Drexler
		Harold Gray
		Mike Karia
IL	Illinois Commerce Commission	Douglas P. Scott (Chairman)
		Michael T. Carrigan
		Ann McCabe
		Stacey Paradis
		Conrad Reddick
IN	Indiana Utility Regulatory Commission	Andy Zay (Chairman)
		Bob Deig
		Anthony Swinger
		David Veleta
		David E. Ziegner
KY	Kentucky Public Service Commission	Angie Hatton (Chair)
		Mary Pat Regan
		Andrew Wood
MD	Maryland Public Service Commission	Kumar Barve (Chair)
		Frederick H. Hoover
		Odogwu Obi Linton
		Ryan C. 'Chuck' McLean
		Bonnie A. Suchman
MI	Michigan Public Service Commission	Daniel C. Scripps (Chair)
		Shaquila Myers
		Katherine L. Peretick
NJ	New Jersey Board of Public Utilities	Christine Guhl-Sadovy (President)
		Michael Bange
		Zenon Christodoulou
NC	North Carolina Utilities Commission	William M Brawley (Chairman)
		Floyd B. McKissick
		Tommy Tucker
		Donald Van de Vaart
OH	Public Utilities Commission of Ohio	Jennifer French (Chair)
		Daniel R. Conway
		Dennis P. Deters
		Lawrence K. Friedeman

State	Office	Name
		John Williams
PA	Pennsylvania Public Utility Commission	Stephen M. DeFrank (Chairman)
		Kimberly Barrow
		John F. Coleman
		Ralph V. Yanora
		Kathryn L. Zerfuss
TN	Tennessee Public Utility Commission	David Jones (Chairman)
		David Crowell
		Clay R. Good
		John Hie
		Kenneth C. Hill
		Herbert H. Hilliard
		Robin L. Morrison
VA	Virginia State Corporation Commission	Samuel T. Towell (Chair)
		Kelsey Bagot
		Jehmal Hudson
WV	Public Service Commission of West Virginia	Charlotte R. Lane (Chair)
		Renee Larrick
		William B. Raney