



Department of Energy
Washington, DC 20585

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

Order No. 202-26-25A

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 an emergency exists within the PJM Interconnection, L.L.C. (PJM) region due to a sudden increase in demand, a shortage of electric energy, a shortage 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.

Order No. 202-26-25

On May 21, 2026, PJM submitted a request for emergency order under FPA section 202(c) (May 21, 2026 Application), with 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 May 21, 2026 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).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 Application, over the next 90 days.⁶

At the time of the May 21, 2026 Application, PJM estimated that Wagner Unit 4 only had fewer than 28 hours of run time remaining to operate for the duration of

¹ 16 U.S.C. § 824a(c).

² 42 U.S.C. § 7151(b).

³ May 21, 2026 Application at 1.

⁴ *Id.* at 2–4.

⁵ PJM previously supplied this information in its July 21, 2025 Application at 2. *See also PJM Interconnection, L.L.C.*, DOE Order No. 202-25-6 (July 28, 2025).

⁶ May 21, 2026 Application at 1, 3.

calendar year 2026.⁷ 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, approximately around 92 degrees in the Mid-Atlantic region, and forecast loads in the PJM territory were around 151,000 MW at the time of their Application.¹⁰ Due to the need to rely on Wagner Unit 4 during the atypically high temperatures in mid-May, when peak loads were between 134,000 and 136,000 MW and generator outages exceeded 40,000 MW, PJM assessed that in such circumstances there were insufficient run hours remaining because of the operating limits on Wagner Unit 4.¹¹ 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.

CONTINUING EMERGENCY CONDITIONS

On August 4, 2026, PJM submitted another application pursuant to FPA section 202(c), requesting a 90-day renewal of Order No. 202-26-25 to alleviate the continuing emergency as described in its May 21, 2026 Application.¹²

PJM states that, as of August 4, 2026, Wagner Unit 4 has zero hours of run time remaining to operate for the duration of calendar year 2026. PJM explains that this means that Wagner Unit 4 may need to discontinue operations or it could operate beyond its operating limit.¹³ For the remainder of 2026, PJM states that it 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.¹⁴

PJM states that its request is necessary given the continued nature of the emergency, particularly as PJM supports the grid through the 2026 summer peak season and into the shoulder season.¹⁵ Further, PJM notes that Wagner Unit 4 will exceed its operating limit during the period when PJM would need to dispatch the unit.¹⁶ PJM further states that there was an instance during the first half of the summer, where PJM

⁷ *Id.* at 4.

⁸ *See id.* at 4–5.

⁹ *Id.* at 5.

¹⁰ *Id.* at 4.

¹¹ *Id.*

¹² August 4, 2026 Application at 1.

¹³ *Id.* at 4.

¹⁴ May 21, 2026 Application at 8.

¹⁵ August 4, 2026 Application at 4.

¹⁶ *Id.*

needed to dispatch Wagner Unit 4 during high temperature periods, further highlighting this need.¹⁷

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.¹⁸ Additionally, PJM states that, 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.¹⁹ 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 in Docket No. ER24-1787 on May 1, 2025.²⁰

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 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.²¹ 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.²² Specifically, PJM has updated operating procedures for committing generation in the BG&E Zone to take into account unit limitations and environmental permit limits.²³ PJM has also 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.²⁴

¹⁷ *Id.*

¹⁸ July 21, 2025 Application at 4-5.

¹⁹ August 4, 2026 Application at 4.

²⁰ *Id.* at 2 (referring to *H.A. Wagner LLC*, 191 FERC ¶ 61,098 (2025)).

²¹ *Id.* at 5.

²² *See id.* at 6.

²³ *Id.* at 5–6.

²⁴ *Id.*

REQUEST FOR ORDER

PJM requests that the Secretary issue an Order immediately, effective August 20, 2026, for a period of 90 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.²⁵

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 emergency and serve the public interest.”²⁶ 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.

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 potential loss of power to homes and businesses in the areas that may be affected by curtailments of outages, 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 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 November 17, 2026.

²⁵ *Id.* at 2.

²⁶ 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).

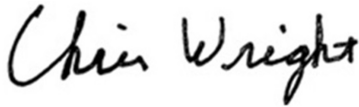
Based on my determination of an emergency set forth above, I hereby order:

- 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 as needed to maintain the necessary generation. 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 Federal Energy Regulatory Commission in Docket No. ER24-1787.²⁷
- 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.

²⁷ August 4, 2026 Application at 3–4 (referring to section 3.3(a) of the Settlement Agreement).

- 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.
- H. This Order shall be effective from August 20, 2026, through November 17, 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 19th day of August 2026.



Chris Wright
Secretary of Energy

cc: **Federal Energy Regulatory Commission**

Chairman Laura V. Swett
Commissioner David Rosner
Commissioner Lindsay S. See
Commissioner Judy W. Chang
Commissioner David A. LaCerte

Maryland Public Service Commission

Chair Kumar P. Barve
Commissioner Frederick H. Hoover
Commissioner Bonnie A. Suchman
Commissioner Odogwu Obi Linton
Commissioner Ryan C. ‘Chuck’ McLean