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October 23, 2026

The Honorable Chris Wright
Secretary of Energy
United States Department of Energy
1000 Independence Avenue, SW
Washington, DC 20585-1000

Re: Request for Renewal of Emergency Order Under Federal Power Act, Section 202(c)

Dear Secretary Wright:

Pursuant to Federal Power Act ("FPA"), Section 202(c)[1], part 205, subpart W, of the regulations of the Department of Energy ("DOE" or "Department")[2] and Ordering Paragraph H of DOE Order No. 202-26-25A (August 19, 2026), PJM Interconnection, L.L.C. ("PJM") respectfully requests that the Secretary of Energy ("Secretary") find that an imminent electric reliability emergency continues to exist that threatens transmission reliability and the ability to serve load in the Baltimore Gas and Electric Company ("BG&E") Zone[3] in the PJM Region due to a shortage of electric energy, a shortage of facilities for the generation of electric energy, and other causes as set forth herein. In accordance with 10 C.F.R. § 205.391(a), PJM requests that the Secretary renew DOE Order No. 202-26-25A.

Because the order impacts at least one current environmental-related Operating Limit[4] on Wagner Unit 4, it can remain effective through December 31, 2026, in accordance with FPA

[1] 16 U.S.C. § 824a(c).

[2] 42 U.S.C. §§ 7101 and 7151(b).

[3] PJM, Transmission Zones Served (July 18, 2025), https://www.pjm.com/-/media/DotCom/about-pjm/pjm-zones.pdf.

[4] The Wagner Unit 4 Operating Limit is contained in a Consent Order, available here: https://mde.maryland.gov/programs/Air/AirQualityPlanning/Documents/Current%20SIP/Sulfur%20Dioxide/Appen

Section 202(c)(4)(A), subject to the Department's continued re-evaluation for potential extension consistent with applicable law. As such, PJM requests that the DOE renew Order No. 202-26-25A, which expires on November 17, 2026, effective November 18, 2026, through December 31, 2026. PJM is authorized to state that Talen Energy Corporation ("Talen"), the owner and operator of the unit, does not oppose this request and will operate Wagner Unit 4 in accordance with an emergency order issued by the Secretary and the Settlement Agreement approved by the Federal Energy Regulatory Commission ("FERC") in Docket No. ER24-1787 on May 1, 2025.[5]

As discussed in greater detail below, PJM estimates that Wagner Unit 4 has zero hours of run time remaining as of the date of this filing. This means that Wagner Unit 4 may need to discontinue operations.

PJM requested emergency action resulting in Order No. 202-26-25A issued by the Secretary of Energy ("Secretary") on August 19, 2026 ("August 19 Order"). PJM incorporates by reference PJM's prior application submitted on August 4, 2026, and all attachments and appendices thereto (the "August 4 Application").

I. BACKGROUND

Wagner Unit 4 is owned and operated by H.A. Wagner L.L.C., a wholly owned subsidiary of Talen Energy Corporation ("Talen"). Talen is an independent power producer. Wagner is an exempt wholesale generator ("EWG") that owns and operates an approximately 841 MW (summer rating) generation facility in Anne Arundel County, Maryland, within PJM. Relevant to this

dices%20B1%20to%20B2_ConsentOrders_wTOC.pdf. There are potentially other operating or environmental limitations that could be implicated during the emergency conditions when PJM determines that generation from Wagner Unit 4 is necessary to meet the anticipated electricity demand. For purposes of this renewal request, Operating Limit is defined to also include all other such limitations.

[5] *H.A. Wagner LLC*, 191 FERC ¶ 61,098 (2025) ("Order on Contested Settlement").

request, Wagner Unit 4 is an approximately 397 MW (summer rating) oil-fired generation unit commissioned in 1972.[6]

On October 16, 2023, Wagner notified PJM that it intended to retire Wagner Units 1, 3, 4, and CT 1, effective June 1, 2025.[7] On January 4, 2024, PJM responded to Wagner's notice of proposed deactivation and stated that "the deactivation of the Wagner generating units 3 [oil-fired 305 MW capacity summer rating] and 4 will adversely affect the reliability of the PJM Transmission System absent upgrades to the Transmission system."[8]

II. REQUESTED RELIEF

PJM seeks authorization to direct Wagner Unit 4 to operate consistent with PJM's Governing Agreements, Good Utility Practice, the Settlement Agreement accepted by FERC in Docket No. ER24-1787, and beyond at least the Operating Limit in compliance with the dispatch methodology set forth herein and only in those instances where PJM has:

- Declared or anticipates declaring based on system conditions a Maximum Generation Emergency Alert[9];
- Declared or anticipates declaring based on system conditions a Transmission Security Emergency[10] impacting the reliability of transmission facilities required to serve the load in the BG&E Zone, or to prevent potential load shed due to transmission limitations; or
- To the extent not otherwise covered by the above, scheduled and dispatched Wagner Unit 4 in a manner consistent with the Settlement Agreement accepted by FERC in Docket No. ER24-1787. Specifically, Section 3.3(a) of the Settlement

[6] Only Wagner Unit 4 is relevant to this emergency authorization request because of the Operating Limit applied to Wagner Unit 4 under the terms of the Maryland State Implementation Plan ("MD SIP").

[7] Talen Energy Corporation, *Notice of Intent to Deactivate Wagner Units* (Oct. 16, 2023).

[8] PJM, *Response to Talen's Oct. 16, 2023 Letter* (Jan. 4, 2024).

[9] PJM, *Manual 13: Emergency Operations*, § 2 (rev. 92, Dec. 20, 2023), https://www.pjm.com/-/media/documents/manuals/m13.ashx.

[10] *Id.* at § 5.

> Agreement provides that "PJM may schedule and dispatch [Wagner Unit 4] solely to address (i) an identified transmission reliability need in support of the requirement to operate such transmission facilities within established thermal, voltage and stability limits under Sections 2 and 3 of PJM Manual 3 and when such transmission reliability needs cannot otherwise be met with available economically dispatched generating resources; (ii) a PJM transmission reliability need caused by a system restoration need as described in PJM Manual 36; (iii) a capacity emergency (as described in PJM Manual 13) during which PJM determines that the resources scheduled for an operating day are not sufficient to maintain the appropriate reserve levels for PJM and (iv) any required testing[.]"

PJM remains committed to taking actions to minimize the need to call upon Wagner Unit 4 to operate beyond the Operating Limit. However, this request is necessary given the continued nature of the emergency, particularly as PJM supports the grid through the 2026-2027 winter season. Wagner Unit 4 has zero hours of run time remaining as of the date of this filing and will need to discontinue operations or it could operate beyond its Operating Limit for the rest of the year. Indeed, PJM has had to rely on Wagner Unit 4 during atypically high and low temperatures during this calendar year.

Moreover, during peak load conditions with no transmission outage, limited emergency authorization is needed to operate Wagner Unit 4 at load levels above approximately 6,200 MW in the BG&E Zone, to avoid impacting electric reliability and loss of electric service in the PJM Region or the BG&E Zone, depending upon the circumstances. Absent such an order, in the limited circumstances when PJM is in emergency procedures as described herein, residences, hospitals, military facilities, water treatment plants, and other critical facilities may lose electric service to all or parts of their facilities due to the lack of adequate generation or transmission emergencies.

This request is narrowly tailored to allow only the dispatch of Wagner Unit 4 as necessary to ensure reliability during the limited timeframe, and subject to the limited triggering conditions,

described in this application. Limiting the requested order for Wagner Unit 4 to situations involving a Maximum Generation Emergency Alert or Transmission Security Emergency that are required to serve the load in the BG&E Zone (or as otherwise permitted by the Settlement Agreement) will ensure that Wagner Unit 4 will be dispatched under select circumstances.

Mitigation Measures

While PJM endeavors to modify the Operating Limit under the MD SIP for Wagner Unit 4 through engagement with the Maryland Department of the Environment ("MDE") and the Environmental Protection Agency ("EPA"), the process to modify a condition of the MD SIP has proven to be lengthy and has not resulted in immediate relief. Thus, concurrently, PJM will continue to employ efforts to mitigate the need to dispatch Wagner Unit 4, unless needed to protect system reliability. In the interim before any SIP modifications can be completed, PJM is taking the following steps to limit use of Wagner Unit 4:

- PJM has updated operating procedures[11] for committing generation in the BG&E Zone to take into account unit limitations and environmental permit limits. Under these procedures, generation resources, including Wagner Unit 4, that are limited by environmental restrictions shall be utilized to maintain single contingency (N-1) reliability. This procedure excludes environmentally limited generation facilities in the BG&E Zone from being dispatched for Double Contingency (N-2), i.e. lower probability outage of 2 separate single contingencies.

[11] *See* PJM, Emergency Procedures, https://www.pjm.com/markets-and-operations/etools/emerg-procedure; *see also* PJM's Emergency Procedures Tool, https://emergencyprocedures.pjm.com/ep/pages/messagedefinitions.jsf.

- PJM will continue to closely coordinate necessary 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.
- PJM notification and dispatch procedures for Wagner Unit 4 operations under a DOE emergency order will serve to minimize use of Wagner Unit 4, and are as follows:
    - PJM will issue a Maximum Generation Emergency (Energy Emergency Alert ("EEA") Level 1) Alert the day before the unit is scheduled for capacity emergencies, and/or a localized Maximum Generation Emergency Alert for Transmission Security the day before the unit is scheduled for transmission reliability;
    - PJM will notify Wagner Unit 4 that it is scheduled for or anticipating a Maximum Generation Emergency Alert and/or Transmission Security Emergency, while honoring the unit's operating parameters (including, but not limited to, notification time, start-up time, minimum run time, ramp capability, minimum down time) and ensuring that Wagner Unit 4 is online and stable at minimum possible output but ready to be dispatched at higher levels to mitigate emergency conditions;
    - In the operating day, PJM will call effective Maximum Generation Emergency units and may call Load Management (Demand Response);
    - PJM will release Wagner Unit 4 once the emergency condition ceases to exist, or the unit can safely shut down based upon operating parameters (including,

but not limited to, notification time, start-up time, minimum run time, ramp capability, minimum down time) and system conditions; and

- PJM will cancel any Load Management and release effective Maximum Generation Emergency units once the emergency condition ceases to exist.

PJM makes the following commitments:

- Once PJM declares that the event has ended and the Maximum Generation Emergency Alert is discontinued, Wagner Unit 4 would be required to cease operations in a manner consistent with its operating parameters above its Operating Limit and other potentially implicated limitations because emergency conditions cease to exist.
- Once PJM declares that the Transmission Security Emergency impacting the BG&E Zone has ended, Wagner Unit 4 would be required to cease operations above its Operating Limit and other potentially implicated limitations in a manner consistent with its operating parameters.

PJM understands the importance of the Operating Limit at issue and does not lightly request this authorization. However, authorizing Wagner Unit 4 to continue to operate, notwithstanding its Operating Limit, under these limited, reliability-based conditions after exhausting reasonably and practically available resources will address what otherwise would be emergency conditions that threaten the provision of reliable electric service for the remainder of 2026 to the residents and businesses in the BG&E Zone and potentially the greater PJM Region.

PJM respectfully submits that the above information satisfies the requirements of FPA Section 202(c)(1), (2), (3) and (4) and the procedures of the DOE's regulations, 16 C.F.R. §205.373 ("Applicable Procedures"). Attached hereto as an Appendix is additional information that may be required by the Application Procedures for this emergency relief application.

III. CONCLUSION

PJM appreciates the Department's expedited consideration of this renewal request.

Respectfully submitted,

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