



Department of Energy
Washington, DC 20585

Order No. 202-25-6

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 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) service territory due to a shortage of electric energy, a shortage of facilities for the generation of electric energy, and other causes, and that issuance of this Order will meet the emergency and serve the public interest.

Emergency Situation

On July 21, 2025, PJM, the Regional Transmission Organization for 65 million people in thirteen states and the District of Columbia, filed a *Request for Emergency Order Under Federal Power Act, Section 202(c)* (Application) with the United States Department of Energy to preserve the reliability of the bulk electric power system.

H.A. Wagner Generating Station Unit 4 (Wagner Unit 4), a 397 MW unit located in Maryland, is constrained by an operating limit of no more than 438 hours of operation per calendar year when burning fuel oil (Operating Limit).³ The Operating Limit is contained in a Consent Order entered into by Raven Power Ft. Smallwood, LLC, a subsidiary of Talen Energy Corporation (Talen), and the Maryland Department of the Environment (MDE), which was submitted to the Environmental Protection Agency (EPA) on January 31, 2020.⁴ PJM is seeking an emergency order pursuant to section 202(c) to allow for the dispatch and operation of the unit in exceedance of its operating limit, if and when needed, over the next 90 days.⁵

As of July 21, 2025, Wagner Unit 4 has only 80 fuel burning hours remaining to operate for the duration of calendar year 2025.⁶ The inability to run Wagner Unit 4 could result in adverse reliability impacts to service in the Baltimore Gas and Electric (BG&E) territory, and within PJM's service territory more broadly.⁷ For the remainder of 2025, 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

¹ 16 U.S.C. § 824a(c).

² 42 U.S.C. § 7151(b).

³ Application at 2.

⁴ *Id.*

⁵ *Id.* at 5.

⁶ *Id.* at 8.

⁷ *Id.* at 4.

required to serve the BG&E Zone.⁸ PJM anticipates that it will need to dispatch Wagner Unit 4 when forecast temperatures are high, approximately around 92 degrees in the Mid-Atlantic region and forecast loads in the PJM territory are around 151,000 MW.⁹ PJM assesses that if another heatwave similar to that which occurred in late June 2025 were to occur, there are insufficient run hours remaining because of the Operating Limit on Wagner Unit 4.¹⁰ 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.¹¹

PJM's operations in 2025 continue to rely upon Wagner Unit 4 at a rate that exceeds its 2024 rate.¹² There were, for example, 11 instances where Wagner Unit 4 ran in January to support high loads, including the new all-time PJM winter peak.¹³ PJM also ran the unit once in early June and ran the unit again for 100 hours over the 5-day extreme heat event during the week of June 23, 2025.¹⁴

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 impacting the BG&E Zone.¹⁵ 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 service to all or parts of their facilities due to the lack of adequate generation or transmission.¹⁶ 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.¹⁷

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 MDE and EPA have informed PJM that the process to modify a condition of the Maryland State Implementation Plan, on which the Consent Order is based, is a lengthy process that will not result in any relief in 2025.¹⁸ PJM has thus sought 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.¹⁹ Specifically, PJM has updated operating procedures for committing generation in the BG&E Zone to take

⁸ *Id.* at 9.

⁹ *Id.* at 10.

¹⁰ *Id.* at 9.

¹¹ *Id.* at 9.

¹² *Id.* at 8.

¹³ *Id.* at 8.

¹⁴ *Id.* at 8.

¹⁵ *Id.* at 5.

¹⁶ *Id.* at 10.

¹⁷ *Id.* at 1-2.

¹⁸ *Id.* at 11.

¹⁹ *Id.* at 4.

into account unit limitations and environmental permit limits.²⁰ PJM is also 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.²¹

PJM has provided that even with the grant of this Order pursuant to section 202(c), Wagner Unit 4 will “continue to be operated in compliance with permitted emissions limits.”²² However, as operating Wagner Unit 4 beyond its Operating Limit would violate the aforementioned Consent Order, relief under section 202(c) is still needed.

REQUEST FOR ORDER

PJM requests that the Secretary issue an Order immediately, effective July 28, 2025, 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.²³

ORDER

Given the responsibility of PJM to ensure maximum reliability on its system, and the ability of PJM to identify and dispatch generation 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.

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 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. 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 anticipated electricity demand, 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 of 438 hours for calendar year 2025 when PJM:

(i) Declares or anticipates declaring based on system conditions, a Maximum Generation Alert and/or Transmission Security Emergency (to include

²⁰ *Id.* at 11.

²¹ *Id.* at 11.

²² *Id.* at 4.

²³ *Id.* at 4, 9-10.

conditions impacting the reliability of transmission facilities that are required to serve the load in the BG&E Zone, 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. ER24-1787.²⁴

- 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.

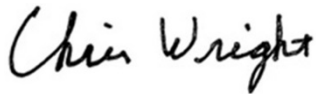
- F. This Order shall not preclude the need for Wagner Unit 4 to comply with applicable state, local, or Federal law or regulations following the expiration of this Order.

- G. This Order expects PJM to comply with its commitments made regarding notifications as detailed in the “Public and Media Notifications” section on page 6 of its Application.

²⁴ *Id.* at 10 (specifically, Section 3.3(a) of the Settlement Agreement).

H. This Order shall be effective upon its issuance, and shall expire at 12:45 PM EDT on October 26, 2025, with the exception of the reporting requirements in paragraphs C and E and applicable compliance obligations in paragraph F. Renewal of this Order, should it be needed, must be requested before this Order expires.

Issued in Washington, D.C. at 12:45 PM EDT on this 28 day of July 2025.



Chris Wright
Secretary of Energy

cc: **FERC Commissioners**
Chairman Mark Christie
Commissioner David Rosner
Commissioner Lindsay S. See
Commissioner Judy W. Chang