



FERC Accepts PJM's One-Time Reliability Backstop Power Purchase but Delays It to February 2027 and Opens an Investigation Into Who Pays

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FERC's September 29 order accepts PJM's plan to buy up to 6,831 MW of new capacity on contracts of up to 15 years, but suspends it until February 28, 2027 and opens a Section 206 investigation, Docket EL26-108, into cost allocation and other terms. Initial briefs are due about November 13.

The Federal Energy Regulatory Commission (FERC) has accepted, with conditions, PJM Interconnection's Reliability Backstop Procurement (RBP), a one-time purchase of new power supply for the grid that serves 13 states and the District of Columbia. FERC also opened an investigation under section 206 of the Federal Power Act in Docket No. EL26-108-000. Notice of the investigation was published in the Federal Register on October 6, 2026, which is also the refund effective date.

Why PJM wants it

FERC's order says PJM's 2027/2028 capacity auction cleared 6,623 MW short of its reliability requirement in December 2025. That was the first time in the auction's history, and the auction cleared at the price cap of \$333.44 per MW-day. The biggest driver was 5,250 MW of forecast load growth, nearly 5,100 MW of it from data centers.

What PJM proposed

- A one-time procurement to fill a 6,831 MW shortfall projected for the 2028/2029 delivery year.
- Fixed commitments of up to 15 years for the new resources, starting with 2028/2029.

- The plan followed a January 2026 statement from the White House National Energy Dominance Council and the governors of all 13 PJM states urging a backstop auction with 15-year price certainty.

What FERC did on September 29

- Accepted the proposal but suspended it for five months, effective February 28, 2027, subject to refund.
- Set a paper hearing on issues including cost allocation, rules for transmission owners leaving, and collateral for load-serving entities.
- Encouraged PJM to file a new, fixed proposal quickly. FERC said a new filing could make the hearing unnecessary and speed up an auction.

Deadlines

- Interventions in EL26-108: within 21 days of the September 29 order, which is about October 20, 2026.
- Initial briefs: 45 days from the order, about November 13, 2026. Replies are due 20 days later. The schedule could be put on hold if PJM refiled within 30 days.

What it means for your electric bill

Capacity costs flow into retail power bills across the PJM region. The investigation is about who pays for the backstop power. That includes whether utilities serving data centers that have not brought their own supply should carry more of the cost, as the governors' statement urged.

Sources

- FERC, 196 FERC ¶ 61,245, "Order Accepting Reliability Backstop Procurement and Establishing Further Procedures," Docket Nos. ER26-3380-000 and EL26-108-000, issued September 29, 2026.
- Federal Register, FR Doc. 2026-20421, "PJM Interconnection, L.L.C.; Notice of Institution of Section 206 Proceeding and Refund Effective Date," October 6, 2026.

Notes

- Image: Transmission lines at sunset (illustrative file photo; not a specific PJM facility). Photo: Kkiefuik via Wikimedia Commons (CC BY 4.0).
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