

**PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA
1325 G STREET, N.W., SUITE 800
WASHINGTON, D.C. 20005**

ORDER

May 21, 2025

**FORMAL CASE NO. 1183, IN THE MATTER OF THE INVESTIGATION INTO THE
IMPACT OF THE PJM CAPACITY AUCTION AND THE ESTABLISHMENT OF THE
PJM CAPACITY AUCTION TASK FORCE, Order No. 22425**

I. INTRODUCTION

1. By this Order, the Public Service Commission of the District of Columbia (“Commission”) directs the PJM Capacity Auction Task Force to submit part one of its recommendation report by July 31, 2025, and part two of its recommendation report by October 31, 2025.

II. DISCUSSION

2. On October 15, 2024, the Office of the People’s Counsel for the District of Columbia (“OPC”) filed its Petition for Investigation.¹ In its Petition, OPC explained that “[o]n July 30, 2024, PJM released the results of the capacity auction for the 2025/2026 delivery year, which determines prices beginning on June 1, 2025, until May 31, 2026.”² According to OPC, the results of that auction will exponentially increase prices across all PJM states, including the District of Columbia (“District”), which will have a disproportionate effect on our lower-income and financially vulnerable populations as well as potentially impact the District’s climate goals. OPC requested that the Commission open an investigation and establish a task force to: “(1) study the immediate and long-term financial impact of the July PJM capacity auction, (2) develop a robust education and outreach plan to assist consumers in understanding and preparing for the new charges set to take effect in June 2025 and (3) learn what changes Pepco will make to its business strategy in light of the capacity auctions.”³ The Potomac Electric Power Company (“Pepco”) filed a response to OPC’s Petition on November 20, 2024.⁴

¹ *General Docket No. 2024-20-M, In the Matter of the Petition for an Investigation into the Impact of the PJM Capacity Auction and a Request for the Establishment of a Task Force to Develop Solutions*, (“GD-2024-02-M”), Office of the People’s Counsel for the District of Columbia’s Petition for an Investigation into the Impact of the PJM Capacity Auction and a Request for the Establishment of a Task Force to Develop Solutions, filed October 15, 2024 (“OPC Petition”).

² OPC Petition at 2.

³ OPC Petition at 1.

⁴ *GD-2024-02-M, Potomac Electric Power Company’s Response to the Office of the People’s Counsel of the District of Columbia’s Petition for Investigation into the Impact of the PJM Capacity Auction*, filed November 20, 2024.

3. In Order No. 22334, the Commission granted OPC's Petition for an Investigation into the Impact of the PJM Capacity Auction and granted OPC's request for the establishment of a PJM Capacity Auction Task Force ("Task Force") with the intention of receiving the Task Force's recommendation report.⁵ Members of the Task Force consist of Pepco, OPC, the District of Columbia Assistant City Administrator, the Apartment and Office Building Association of Metropolitan Washington, the District of Columbia Department of Energy and Environment, the Office of the Attorney General for the District of Columbia, PJM Interconnection L.L.C., the District of Columbia Sustainable Energy Utility, and Commission Staff.⁶

III. DECISION

4. The Task Force shall submit part one of the recommendation report, which shall include the financial impacts of the July 2024 PJM capacity auction and the education and outreach plan used to assist consumers in understanding and preparing for the new charges to take effect in June 2025 by July 31, 2025. The Task Force shall then submit part two of the recommendation report on what improvements might be made locally to address the impacts of the capacity auction on District consumers by October 31, 2025. This two-part recommendation report will allow the Task Force to update the Commission on the discussions held on these initial topics, while allowing the Task Force to continue to discuss ideas related to the long-term issues surrounding the capacity auction.

THEREFORE, IT IS ORDERED THAT:

5. The Commission **DIRECTS** the PJM Capacity Auction Task Force to submit part one of its recommendation report by July 31, 2025, and part two of its recommendation report by October 31, 2025.

A TRUE COPY:

BY DIRECTION OF THE COMMISSION:



CHIEF CLERK:

**BRINDA WESTBROOK-SEDGWICK
COMMISSION SECRETARY**

⁵ *GD-2024-02-M and Formal Case No. 1183, In the Matter of the Investigation into the Impact of the PJM Capacity Auction and the Establishment of the PJM Capacity Auction Task Force ("Formal Case No. 1183")*, Order No. 22334, rel. December 9, 2024.

⁶ *Formal Case No. 1183, Notice*, rel. April 14, 2025.

COMMISSION ACTION

FORMAL CASE NO. 1183, IN THE MATTER OF THE INVESTIGATION INTO THE IMPACT OF THE PJM CAPACITY AUCTION AND THE ESTABLISHMENT OF THE PJM CAPACITY AUCTION TASK FORCE,

Date 5/21/25 Formal Case No. 1183 Tariff No. _____ Order No. 22425

	Approve Initial & Date	Disapprove Initial & Date	Abstain Initial & Date
Chairman Emile Thompson	<u>ET/JP 5/21/25</u>	_____	_____
Commissioner Richard A. Beverly	<u>RB/JP 5/21/25</u>	_____	_____
Commissioner Ted Trabue	<u>TT/JP 5/21/25</u>	_____	_____

Certification of Action

Jamond Perry
General/Deputy General Counsel

Stephan Jaksch
OGC Counsel/Staff