



BOROUGH OF TARENTUM

FOR IMMEDIATE RELEASE
10/25/2024

Contact: Dwight Boddorf
724.224.1818
manager@tarentumboro.com

Tarentum Borough Joins AMP in Opposing PJM's Capacity Auction Delay, Citing Risks to Municipal Budgets and Ratepayers

Tarentum, PA — The Borough of Tarentum is supporting American Municipal Power (AMP) in opposing PJM Interconnection's recent request to delay its upcoming capacity auction. As a public utility serving Tarentum's residents, the Borough relies on predictable, transparent auction processes to manage energy costs and ensure stable rates for its community. Delaying this auction could drive price uncertainty that jeopardizes both our municipal budget and the economic stability of our residents.

PJM's proposed delay, intended to address complaints about market price inflation, will likely increase costs without offering immediate solutions to reduce these elevated prices. AMP, a trusted resource for municipal utilities, has raised concerns that postponing the auction will create prolonged unpredictability in the regional power market, undermining essential forward price signals that municipal utilities use to set their rates and budgets. As a result, public utilities like ours face an unsustainable choice between passing sudden cost increases onto customers or absorbing financial strain that could disrupt critical services.

"The economic stability of our residents is a top priority for Tarentum," said Dwight Boddorf, Borough Manager. "Every dollar we allocate toward inflated energy costs is a dollar that cannot be invested back into our community. Unchecked price volatility strains our budget and the financial well-being of our residents, who already feel the pressures of rising costs. This is why we urge PJM to proceed with its auction as planned, ensuring that capacity prices are fair and based on actual market demand."

The Borough is committed to working with AMP and other public power entities to advocate for reforms that prioritize transparency, efficiency, and cost stability. With so many of our residents impacted by even small fluctuations in energy costs, Tarentum will continue supporting measures that uphold fair pricing and avoid compounding financial burdens.

###