PENNSYLVANIA MUNICIPAL ELECTRIC ASSOCIATION
PA PUBLIC POWER

THE LIVE WIRE

November 2025

Save these Dates!

PMEA Spring Superintendents/ Foremen Meeting
March 26 & 27, 2026 @ The Nittany Lion Inn, State College
Registration opens in January 2026

PMEA 2026 Annual Conference – September 9 – 11, 2026
Omni Bedford Springs, Bedford

PMEA Business Workshop
– September 9, 2026 @ Omni Bedford Springs, Bedford

2026 Training for Line Crews
Registration opens prior to each class

Customer Service *(open to all municipal departments)*
March 10 – Grove City
March 12 – Chambersburg
March 13 – Lansdale

Overhead Troubleshooting
April 9 & 10 – Grove City
April 13 & 14 – Chambersburg
April 15 & 16 – Lansdale

Advanced Transformer
June 4 & 5 – Grove City
June 8 & 9 – Chambersburg
June 10 & 11 – Lansdale

Underground Troubleshooting & Grounding
September 14 & 15 – Grove City
September 21 & 22 – Chambersburg
September 23 & 24 - Lansdale

Safety for Lineworker
October 22 & 23 – Grove City
October 26 & 27 – Chambersburg
October 28 & 29 – Lansdale

State Budget Deal Includes RGGI Withdrawal

Pennsylvania lawmakers voted to withdraw the state from the Regional Greenhouse Gas Initiative (RGGI) as part of a $50.1 billion budget deal that was passed almost five months after the deadline The bill passed with large majorities—156 to 47 in the Democratic-controlled House and 40 to 9 in the Republican-led Senate.

RGGI is a coordinated cap-and-trade program among Northeastern states that sets regional limits on carbon dioxide emissions from power plants. Power generators must purchase carbon allowances for their emissions at quarterly auctions, which incentivizes shifting to cleaner energy while raising funds for climate initiatives. The program currently includes 11 states: Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, Vermont, and Virginia.

Some key considerations of the budget deal:

- **RGGI Background**: Former Governor Tom Wolf directed the state to join RGGI in 2019 through executive order, but ongoing legal battles prevented Pennsylvania from actively participating. The program requires power plants to buy carbon allowances for emissions, incentivizing clean energy transitions.
- **Budget Compromise**: Critics said the RGGI withdrawal made climate action a victim of lawmakers' need to restore normal state funding to services like education and transportation, as the provision was embedded in a must-pass budget bill rather than offered as a standalone measure.

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RGGI Withdrawal *(continued)*

- **Environmental Impact**: According to a 2023 University of Pennsylvania analysis, active RGGI membership would have reduced the state's electricity-sector emissions by 84 percent from 2020 levels by 2030. Environmental advocates claim Pennsylvanians will be robbed of more than $1 billion annually that could have been invested in clean energy to lower electricity prices.
- **Political Response**: Governor Shapiro said that Senate Republicans used RGGI "as an excuse to stall substantive conversations about energy" and promised to push for alternative policies creating energy jobs and bringing clean energy to the grid. Republicans argued RGGI would harm the state's energy industry and raise consumer bills.

PA Municipal Electric Rates Remain Competitive in 2025

Pennsylvania's public power communities continue to offer competitive rates compared to investor-owned utilities, according to the latest annual rate survey conducted by Utility Engineers for the PMEA.

For residential customers using 1,000 kilowatt-hours per month, municipal utilities averaged $164.36 in 2025, representing significant savings compared to the $209.49 average charged by investor-owned utilities regulated by the Pennsylvania Public Utilities Commission (PUC). This $45 monthly difference translates to approximately $540 in annual savings for typical households.

The advantage of municipal electrics has become increasingly pronounced in recent years. While municipal rates increased by approximately 14% from 2017 to 2025 (from $143.52 to $164.36), investor-owned utilities saw rates surge by nearly 48% over the same period (from $141.26 to $209.49).

The rate increases among investor-owned utilities have been particularly dramatic since 2021. Before that year, the average rates for municipal and investor-owned utilities were nearly identical—$144.66 versus $136.32, respectively. However, by 2025, the gap had widened to over $45 per month, with investor-owned utilities experiencing sharp increases that significantly outpaced municipal rate growth.

Among the major investor-owned utilities, Duquesne Light customers faced the highest 2025 residential rate at $253.83, while West Penn Power offered the lowest at $180.51. PECO, PPL, and Penelec all charged over $217 monthly for the same 1,000 kWh usage that many municipal utilities provided for under $150.

The survey reveals notable regional variations among municipal providers. Eastern Pennsylvania municipalities averaged $187.67 for residential service, while central region municipalities offered the lowest average rates at $143.86. Western region municipalities fell in between at $163.05.

Among individual municipalities, Mont Alto offered the most competitive residential rate at $110.30, while St Clair charged the highest at $250.28 for the same usage level. The survey tracked rates across 35 municipal electric systems serving a combined total of 86,757 residential meters.

For small commercial customers requiring 5 kilowatts of demand and 1,500 kilowatt-hours monthly, municipal utilities averaged $257.44 in 2025 compared to $232.29 for PUC-regulated utilities—a reversal of the residential pattern that reflects the diverse rate structures across different customer classes.

Our public power communities have historically maintained stable rates while reinvesting revenues into infrastructure improvements and community programs. The 2025 data suggest this model continues to deliver value for Pennsylvania residents.

Please contact the PMEA office if you would like to obtain a copy of the rate study which is available to members only.

PJM Fundamentals Session Video Available

PMEA's annual Business Workshop kicked off this year's conference with an essential session on PJM. The presentation provided attendees with a comprehensive look at how PJM operates and its critical role in managing the regional power grid.

The panel featured three industry experts: Garrett Cole, Vice President at GDS Associates; Chris Simms, Principal at Smart Utility Management; and Isaac Wakefield, Esq., Shareholder at Salzmann Hughes. Their combined expertise provided attendees with practical knowledge to better navigate the PJM landscape.

To watch a recording of the session, Click here to view on PMEA’s private YouTube channel.

Shapiro Among Governors Who Want Data Centers to Guarantee Their Own Power

In a surprise move that could benefit PJM Interconnection, Governor Josh Shapiro and three other Governors have submitted a joint proposal formulated with the Data Center Coalition (DCC), an industry group, that favors approving connections to data center firms that will generate and add their own power to the grid.

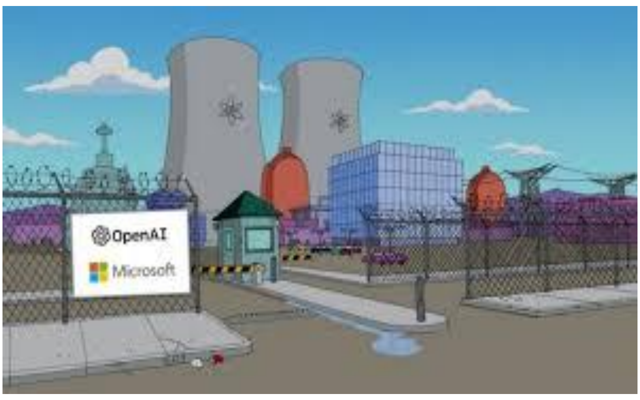
The proposal would offer a fast-track approval process for both the data centers and the power sources they would build. The idea was raised this week during a hearing held by PJM, the nation's largest electrical grid, as it grapples with soaring demands and seeks federal approval later this year to hasten permit reviews.

Pamela Quinlan, a principal at GQS New Energy Strategies, an energy consulting company that represents the DCC, a leading data center trade group, described the eight-page plan as a "voluntary and heavily incentivized" path for the industry.

Quinlan offered limited details during the hearing at PJM's office near Philadelphia. The proposal generated interest because the four governors—from Pennsylvania, Maryland, New Jersey, and Virginia—have been critical of PJM's operations but eager for data center expansion in their states.

The electricity originated by the centers' power generators would feed into the PJM's regional grid, bolstering its reliability, according to the proposal. At least one energy researcher who reviewed the proposal said the strategy may also boost reliance by the new data centers on natural gas.

The DCC is an industry trade group for data center operators and cloud providers. Among its members are the biggest tech companies in the world, including Amazon Web Services, Google, Microsoft and Meta, all of which have invested billions of dollars in developing and deploying artificial intelligence and, in the past couple years, proposing new data centers. AI operations require massive amounts of water and power.



Jacob Finkel, an aide to Pennsylvania Gov. Josh Shapiro, spoke at the hearing and said he was representing the four states, which are in "strong alignment" with the DCC over the proposal.

Data centers require around-the-clock electricity, and even brief dips can cost millions of dollars in revenue. The fast-track proposal aims to accommodate lucrative investment from tech and financial firms in some pivotal states.

States oversee the siting, permitting and environmental review for commercial projects that require grid access. The states also assess land-use or rights-of-way and construction approvals related to the construction of electric lines and substations.

The DCC-governors proposal essentially relies on the states to expedite permitting and siting for the data operations. Under the proposal outlined by Quinlan, each state can issue directives to expedite projects that will build energy lines or substations. The data center's power sources don't have to be on the data-center site itself. The generators can be elsewhere in the same grid area that is approved by the state.

Under the plan, data centers qualify for the fast lane only if they create power equal to their expected use. For example, a data center site planning to use 50 megawatts must secure or develop 50 megawatts of supply. Those megawatts would be added to PJM's grid at the time the business is launched.

The proposal includes a measure to combat rising bills for all ratepayers. The proposal would extend or maintain the current capacity charge set by PJM—what customers pay to guarantee power at all times—for another year. In July, PJM issued a capacity charge for service from June 2026 to May 2027 that topped 20 percent, and it agreed then to extend the cap to that charge to 2028. PJM said that would mean an increase of about 1.5 to 5 percent in customers' bills, depending on their area. The proposal outlined by the DCC would extend the price cap into the summer of 2029.

"Seeing this proposal to extend the price cap for another year is a very significant win for consumers," said Abraham Silverman, an energy researcher at Johns Hopkins University's Ralph O'Connor Sustainable Energy Institute. That would shield customers from price spikes as data centers come online, he said.

The DCC and the governors supplied few details about their proposal beyond an eight-page outline. Some analysts said the DCC and the governors need to provide specifics on how each state will review and decide to fast-track the projects.

Finkel said Pennsylvania and other states will form a "consortium" to "figure out how they're going to do this." Finkel offered Pennsylvania's months-old Lightning Plan as an example, which aims for a one-stop deadline-driven framework for power projects permits. The plan, announced in January, would create a new oversight board to coordinate and speed siting and approvals. As of this month, the plan remains a blueprint.

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Data Centers Guarantee Power *(continued)*

Silverman pointed to another concern about the fuel driving the new power sources. States with ambitious climate change goals might have to accept that the data centers that contribute to PJM will be using gas rather than solar or wind power, he said. "A hyperscale data center…may be a thousand megawatts. That's a lot of solar," Silverman said.

Joseph Bowring, the president of Monitoring Analytics, an independent monitoring unit that reports on PJM's electric power market, said the DCC-governors proposal is missing some notable guarantees.

A central question in the rulemaking discussions over PJM reliability is who should lose power when the grid is stressed, he said. Should data centers lose power first? Should they lose it in sync with everyone? Or should they be the last to lose power?

"The equitable way to formulate it for these guys who are coming onto the system (and) bringing 30,000 megawatts of issues is for them to be interrupted first," Bowring said. "If interruptions were assigned to data centers first," he said, it is likely that "data centers would not sign up for that service."

Bowring said even if PJM assigned interruptions "perfectly," the fact that there would be interruptions means the grid cannot reliably serve its customer base. Bowring said the monitoring group advocates not allowing data centers to connect unless the grid can guarantee continual service and reliability.

The plan from DCC and the governors is one of more than a dozen proposals being considered by PJM as it seeks public comment to support a request for a rule change—known as the Critical Issue Fast Path—meant to add suppliers to the grid.

PJM has also heard its own staff proposal: allowing 10 new proposed projects per year to connect to the grid in as little as 10 months through expedited reviews. Critics said that approach, too, would favor gas-fueled developers.

The federal agency that oversees grid regulations, the Federal Energy Regulatory Commission, will decide whether the change that PJM seeks is lawful and in the public interest. The PJM board plans in December to submit a written request to FERC. There are at least three more meetings planned by PJM through late November.

By: Rambo Talabong, Inside Climate News **-** *November 3, 2025. This article originally appeared on Inside Climate News, a nonprofit, non-partisan news organization that covers climate, energy, and the environment.*

Lend Your Voice to Public Power in DC

Plan now to attend the APPA Legislative Rally in Washington, DC next year and help our federal leaders understand the issues that impact our public power communities. In addition to energy related issues, come and discuss workforce challenges, specific funding needs, and other barriers to effectively serving your communities. Registration is now open for the rally on February 23 – 25, 2026. PMEA arranges meetings with PA Congressional delegation members to share information on the most pressing issues. Additional information will be available on the APPA website, https://www.publicpower.org/event/legislative-rally.

Associate Member Spotlight

Through its subsidiary RWE Clean Energy, RWE is the third largest renewable energy company in the United States, with a presence in most U.S. states from coast to coast. RWE's team of about 2,000 employees in the U.S. stands ready to help meet the nation's growing energy needs. With its homegrown and fastest-to-market product, RWE supports the goal of American Energy dominance and independence. To that end, RWE Clean Energy is committed to increasing its already strong asset base of over 10 gigawatts of operating wind, solar and battery projects, focusing on providing high-quality jobs. RWE invests in local and rural communities while strengthening domestic manufacturing supporting the renaissance of American industry. This is complemented by RWE's energy trading business. RWE is also a major off taker of American liquified natural gas (LNG).

As an energy company with a successful history spanning more than 125 years, RWE has an extensive knowledge of the energy markets and an excellent expertise in all major power generation and storage technologies, from nuclear, coal and gas to hydro, batteries, wind and solar. Please visit **RWE here** or contact David Klein, Director, Muni-Coop Utilities Group, at david.klein@rwe.com.

Final Training for 2025; Schedule Set for 2026

PMEA held the final training course, Team Building, in October. This course was open to any department in a PMEA member community and focused on what defines a team, the qualities of an effective team, and how to leverage individual personalities to strengthen group performance. By the end of the training, participants were equipped with practical tools to create stronger teams and foster a more positive work environment.

Check out the schedule for 2026 at the top of this newsletter! We look forward to more PMEA members joining us for training in the new year. All classes are provided by our training partners – AMP and TVPPA – and are at no cost to the member municipality.

Share Your News….

Please share with us your exciting new projects, photos, personnel updates, and any other news! Your submissions should be sent to **bosak@papublicpower.org** at any time and we will use them in upcoming editions. We also welcome your suggestions for topics of interest for our newsletters.

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