THE LIVE WIRE

July 2026

Save these Dates!

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

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

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

Members Helping Members: Mutual Aid

Ephrata faced multiple areas of significant storm damage after severe evening storms rolled through on July 4. Crews from Middletown, Kutztown, and Quakertown responded to help restore power, including reconnecting a 3-phase line that fed a local medical facility after a tree fell onto the primary line from 40 feet off the right-of-way.

At Ephrata Bowmen Archery, a fallen tree tore down secondary wire and knocked a transformer's bottom bracket clean off its bolt — one of several equipment failures crews had to repair across the area. Amid all this repair work, one of the bucket trucks developed a severe leak in its main hydraulic line, forcing the operator to shut the engine off while still in an elevated position. Kutztown and Middletown personnel, who were involved in this aspect of the response, brought a second bucket truck into position to safely transfer the lineman to the operational bucket, and the rescue went smoothly.

Repeated rounds of storms on July 4 and 5 tripped relays and knocked out multiple breakers, cutting power for several hours at a time, over and over, as the weather moved through. Crews were called in at 7:40 p.m. on July 4 and worked continuously until 9 p.m. on July 7. Even after that, some customers remained without power until July 10 while repairs were made to their own damaged equipment.In total, crews cleared multiple trees down on 3-phase lines and responded to five homes where trees had fallen onto roofs.

Borough of Ephrata mutual aid crew L to R: Ben Brady, Ben Rebman, Hank Busby, Ephrata. Standing Justin Shafer, on truck Bob Ludwig, Middletown. Chad Gechter, Kutztown. Jack Hartenstine, Quakertown and Carl DeWoody, Ephrata

Register Soon for the PMEA Annual Business Workshop & Annual Conference

Mark your calendars — the Annual Business Workshop and Annual Conference returns September 9–11 to the beautiful Omni Bedford Springs. Whether you are a manager, superintendent, or elected official, this is one event you simply cannot afford to miss. With a packed agenda covering the issues that matter most to our public power communities, this year's conference delivers the insights, connections, and practical tools you need heading into the next year.

This year's conference promises an exceptional lineup designed to inform, connect, and energize public power communities across Pennsylvania. Highlights include:

- **A special session on joint generation projects**, exploring the potential opportunities and pathways for collaborative power development.
- **A forward-looking energy outlook session**, examining what the future of energy means for municipal utilities.
- **Market pricing and expectations**, with expert perspectives on where rates and wholesale markets are headed.
- **Remarks from national leaders Corwin and Thompson**, who will share the current landscape for public power and what lies ahead at the federal level.

The Business Workshop offers practical, hands-on sessions tailored for all levels of utility operations, covering:

- Legal aspects of municipal electric utilities
- Making sense of utility finances — projects, rates, and safeguards
- AI applications for utility finance — a practical look at real-world tools

The full agenda will be available soon. In the meantime, registration and hotel reservation information can be obtained by contacting PMEA at bosak@papublicpower.org.

State Budget Approved with Few Energy Related Provisions

Gov. Josh Shapiro signed Pennsylvania's $50.8 billion state budget on Sunday, following rushed passage by the General Assembly, an improvement over last year's nearly five-month budget impasse. The deal passed with strong bipartisan support — 44-6 in the Senate and 167-35 in the House. The final budget package did not include data center tax exemption repeal or local moratorium authority, nor did it include the Governor's infrastructure fund for generation. Those issues will have to wait as will $1.3 billion payment on Medicaid, making next year's budget more difficult to balance.

A few highlights of the budget:

- **Electricity Load Forecast Accountability:** Requires PJM to submit load forecasting information to the Public Utility Commission. PUC, along with the Office of the Consumer Advocate, can request to review contracts and agreements that affect load forecast assumptions, between interconnected customers and utilities. No later than June 30 of each year, the PUC shall issue a report, submit it to the General Assembly and publish it on its publicly available website.
- **Data Center Energy and Water Reporting:** Requires data centers, with a peak capacity demand of more than 10 megawatts, to submit annual reports to the Department of Environmental Protection related to their energy and water usage for the preceding year. The reports required to be submitted no later than July 1, 2027, and each July 1 thereafter. DEP, in consultation with the Public Utility Commission, is required to publish annual reports on the energy and water usage trends. This provision also imposes a civil penalty of $10,000 per day if a data center fails to comply. Penalties collected pursuant to this provision would be deposited into the low-income Customer Assistance Program (CAP) for the service territory in which the data center in violation is located.
- **Advanced Electric Transmission Line Technologies:** Requires transmission siting applicants, such as electric distribution companies (EDCs), to evaluate the implementation of Advanced Transmission Technologies (ATTs) when constructing new or updating existing transmission lines, when submitting a siting application to the Public Utility Commission (PUC). Language creates a rebuttable presumption that an electric distribution company (EDC) has considered ATTs on proposed infrastructure if an ATT analysis is conducted. Authorizes the PUC to, as a condition of approving an application, order ATTs to be integrated to help address the need identified in the application, if it's determined to be in the public interest. The Public Utility Commission is also required to adopt regulations related to ATT assessment requirements, no later than one year from the effective date of this provision and provide for methods which applicants can utilize to meet such requirements.

The flurry of budget activity also included passage of SB 349, sponsored by Senator Yaw (R), which would establish decommissioning and bonding requirements for project developers who seek to install or operate commercial solar electric generation facilities in Pennsylvania.

This is not a new concept as coal, natural gas, solid waste and a host of other industries are required to post financial guarantees for their activities. This requirement would not apply to homes and businesses which host solar facilities that generate electricity for their own use.

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Another proposal which made its way to the Governor's desk during the budget process is HB 2017, sponsored by Rep. Giral (D- Philadelphia). The legislation authorizes DEP to adjust the current fee structure to account for SMRs in the future, removing an obstacle to investment in SMR technology. Although SMRs are still a few years away from large-scale deployment, this legislation will remove obstacles now so that we are poised to benefit when the technology is ready.

Under current law, operators of nuclear energy facilities are required to pay annual fees to the Department of Environmental Protection (DEP) on a per site basis. These requirements were developed with traditional light-water reactors in mind, where one site has multiple large reactors. Because SMRs are typically deployed on multiple sites with a limited number of smaller reactors at each site, these fee structures are an insurmountable barrier to SMR development in Pennsylvania.

Sources: Gillian McGoldrick, The Philadelphia Inquirer, July 13, 2026, and the Pennsylvania Environment Digest

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PJM Electricity Price Hits Cap Again in Latest Auction

Electricity prices will remain elevated in PJM Interconnection's 13-state service area, including Pennsylvania, following an auction setting prices for future generating capacity.

PJM, a Valley Forge-based nonprofit that manages the supply on the largest electricity grid in the nation, announced the results Tuesday of the auction held from late June to mid-July.

The $325-per-megawatt-day price for generating capacity in 2028 and 2029 is at the maximum price under a cap initially negotiated by the Shapiro administration last year after the 2024 auction closed at a record price of $269.92 per megawatt-day.

The cap was extended by PJM at the request of a coalition of PJM-state governors and the Trump administration to cover the latest auction and one to be held in December for 2030 and 2031.

"These auction results show that demand for electricity continues to grow faster than electricity supply," PJM President and CEO David Mills said. "At the same time, PJM recognizes how this supply-and-demand imbalance impacts the reliability of the system and costs for consumers. We are working with government and industry leaders on multiple fronts to restore that balance by bringing on new generation as fast as possible and managing the growth of new load on the grid."

A combination of retiring fossil fuel power plants, increased electrification of transportation and industry and proposed data center development has caused peak forecasts to increase by 66,000 megawatts by 2036. That's nearly 80 times the output of the Three Mile Island nuclear power plant, which is set to reopen next year exclusively to power data centers.

"Demand growth is not going away. That is the driving story here," said Patrick Cicero, the former Pennsylvania consumer advocate who now works with the Pennsylvania Utility Law Project.

PJM also announced Tuesday that the auction fell 6,831 megawatts short of the grid manager's capacity goal, which is a larger deficit than in last year's auction.

"Data center load growth is degrading grid reliability, and it's raising prices to the Governor Shapiro-negotiated cap," said Robert Routh, Pennsylvania state lead for climate and energy policy at the Natural Resources Defense Council. "So, unless PJM and states take action, this picture will continue to worsen for the foreseeable future."

But Todd Snitchler, president and CEO of the Electric Power Supply Association, said the price reflects the competitive electricity generating industry's willingness to invest to meet the increased demand. Recent year-over-year record lows had discouraged investment in power supply, he said in a statement.

"Competitive power suppliers are already responding," Snitchler added. "New supply is coming; the issue now is to address getting it connected to the system as quickly as possible.

Among PJM's responsibilities is vetting proposals for new power plants, transmission lines and other electric infrastructure and approving their connections to the grid. It has faced intense criticism for allowing a years-long backlog of projects to linger, causing some to drop out of the market. PJM notes it has made significant progress in reducing the backlog by prioritizing shovel-ready projects.

PJM's primary role in managing the grid is to ensure that each of its 67 million customers has the least expensive electricity available for their location at any given time. But it also must ensure the supply is reliable.

To do that, it holds auctions for power plant operators to bid to set the price to keep their generators standing by for the peak electricity demand that comes on the hottest and coldest days of the year.

Cicero, who spoke to reporters Tuesday, ahead of PJM's announcement, said market dynamics indicated this month's auction would close at or near the cap.

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PJM Hits Price Cap Again *(continued)*

The last two auctions have added around $16 billion to the cost of ensuring reliability, he said. And any additional generating capacity added in the last year have not been enough to appreciably increase capacity. As a result, the increased cost will remain in place into 2028 and 2029, he said.

“These are flat prices that are going to remain high. It’s not necessarily another spike, but it’s really, really high prices remaining,” Cicero said.

While the relationship between the auction price and what consumers see on their electric bill is not direct, some Pennsylvania utilities have increased the rate they charge people who don’t shop for their electric rates – some by up to 20%.

“This has cost the average residential consumer in Pennsylvania somewhere in the neighborhood of $220 to $320 per year in additional costs on their bill,” he said.

In addition to extending the price cap, PJM and its members from the electricity industry have been working on additional steps to isolate residential and small business customers from the demand brought by data centers, Routh said.

One, sought by the PJM governors and the Trump administration, is another auction to fund increases in capacity and reliability by getting data center operators and other large load customers to purchase long-term commitments for electricity.

Routh described it as a matchmaking venue for data centers and suppliers to meet and arrange to pay for new power supplies to be built “without raising prices for everyone else.”

That process faces the same challenges blocking new electricity supplies for everyone. Those include supply chain delays, long timelines for building new infrastructure and siting and permitting hurdles. A lack of money is not among the problems, Routh noted.

“Tech companies, data center customers that have a need for power have deep pockets,” he said. “Any power plant that can get built these days should have no problem finding buyers and arranging financing.”

Source: Peter Hall, Reporter, Pennsylvania Capital-Star, July 15, 2026

PJM Status Quo ‘Untenable’: FERC Commissioner

The PJM Interconnection’s “status quo is really untenable,” David LaCerte, Federal Energy Regulatory Commission commissioner, said Thursday.

PJM’s stakeholder process has “continued to just grind into gridlock,” he said at a meeting in Philadelphia hosted by WIRES, an advocacy group for utilities and others in the transmission sector.

FERC is slated to hold a technical conference on July 23 focused on PJM’s governance issues. Among other things, the conference aims to discuss “potential concrete actionable reforms to improve the effectiveness of the PJM stakeholder process and create fast-path or time-bound review procedures for critical issues.”

Some sectors use PJM’s stakeholder process to defend their business interests to the detriment of the wider region, according to LaCerte.

“If you’re a generator and you hate the [capacity] price collar, and you think that continuing the status quo with stakeholder engagement, blocking measures by PJM, is going to be successful, how’d you get the price collar in the first place?” LaCerte asked. “This current system is not helping you.”

“Looking at things differently is hard, especially in entrenched utilities that have been doing this for a long time,” he added.

Even so, PJM has to change, according to LaCerte.

“We have a lot of other models at other RTOs and ISOs across the country that are much more functional, so we can pick and choose which work, which don’t,” he said. “We can pick which might alleviate concerns to get people on board, but we can’t have a group of stakeholders that are incentivized to vote one way economically that are driving us into the ground for an entire region of the country.”

PJM, the largest U.S. grid operator, runs the grid and wholesale power markets in 13 mid-Atlantic and Midwestern states and the District of Columbia.

FERC eyes transmission incentive reform
FERC is considering revising the incentives it provides to spur transmission development, according to LaCerte.

“We need to make sure that the incentives that we give are properly tailored to actually meet the goals, and we’re not just throwing money out the window,” LaCerte said.

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FERC: PJM Untenable *(continued)*

FERC offers a range of benefits to transmission developers. They include an extra 0.5% return on equity for being a member of a regional transmission organization and "construction work in progress," which allows a utility to recover its expenses while it is building a project instead of waiting for a rate case after it is placed into service.

"We have a history of adopting an incentive structure and then putting it on a shelf and not revisiting it for 20 years sometimes, and I think those days have got to be over," LaCerte said.

FERC needs to be sure that its incentives lead to specific outcomes, according to LaCerte.

"I don't think we do the best job [of] doing that at FERC," he said. "We need to make sure we do it in a way that is laser-focused on outcome and laser-focused on [legal] durability as well."

Revising the incentives is challenging, according to LaCerte.

"It's kind of like we're flying a helicopter here and trying to land it on a really small landing pad in the middle of the ocean," LaCerte said. "It's a difficult thing to get right … we're trying to look at things differently than we used to."

As part of FERC's effort to keep electricity prices as low as possible, LaCerte said the agency will continue to focus on advanced transmission technologies, also called grid-enhancing technologies.

When considering GETs, LaCerte said he wants to know its cost savings and whether the technology is ready to be deployed, "whether that be an advanced transmission line, whether it be dynamic line ratings — which I think we could do much better on — I think we need to consider it."

Source: Ethan Howland, Senior Reporter, Utility Dive, July 9, 2026

Participation in PMEA Surveys

Your participation in surveys and responses to member inquiries is essential. To effectively assess the needs and challenges facing our membership, we rely on broad and thoughtful input from all members. While we strive to limit the number of requests we send, emerging issues and evolving circumstances often create the need for timely information and data that cannot always be anticipated. Your feedback helps strengthen our advocacy and support efforts — please help us help you.

PJM Videos Available

PMEA's annual 2025 Business Workshop included an essential session on PJM, giving attendees a comprehensive look at how PJM operates and its critical role in managing the regional power grid. Click here to view on PMEA's private YouTube channel.

PMEA's Public Power Governance 101 educational video is available exclusively to member municipalities. Designed for elected officials and staff across Pennsylvania's 35 public power communities, this module delivers insights into the management and operation of municipal electric systems. To receive a viewing link, contact Diane Bosak at bosak@papublicpower.org.

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 they will be used in upcoming editions. We also welcome your suggestions for topics of interest for our newsletters.

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THE LIVE WIRE** *will return in September with a recap and photos of the 2026 conference and other news*