

GOVERNOR JOSH SHAPIRO

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ICYMI: What Industry Leaders, Lawmakers, and Consumer Advocates Are Saying About Governor Shapiro's Action to Save Consumers Over \$21 Billion in Utility Charges

"It shouldn't have taken a lawsuit and threats to leave PJM for the organization to prioritize protecting ratepayers, but we're deeply grateful for the leadership of Governor Shapiro...who supported Pennsylvania's complaint against this capacity auction."

"Thanks to Governor Shapiro...consumers will be spared from billions of dollars in excessive utility bill charges."

"Governor Shapiro navigated the quagmire of power market and regulatory complexity in order to reach an agreement."

Harrisburg, PA – This week, Governor Josh Shapiro reached an agreement with PJM Interconnection to resolve his recent lawsuit, securing more than \$21 billion in savings for consumers over the next two years. Today, the Governor visited Mid-Penn Legal Services in Harrisburg, where he joined legal advocates, legislative leaders, and Pennsylvania seniors to highlight his Administration's efforts to protect consumers from rising utility costs.

During his visit, **Governor Shapiro** emphasized the importance of this agreement in preventing historic energy price hikes and ensuring affordable, reliable electricity across Pennsylvania. The Governor's action once again delivered for Pennsylvanians — saving families and businesses billions on their utility bills and reinforcing the Commonwealth's commitment to fair energy pricing.

In December, **Governor Shapiro** <u>filed</u> a complaint against PJM Interconnection, the organization that coordinates wholesale electricity, criticizing flaws in PJM's capacity auction design that threatened to impose significant new price increases. The Governor worked with PJM to find a path to resolve this lawsuit and reduce their price cap for the next two years. The agreement will avoid historic price hikes on consumers across all 13 states that PJM serves, including Pennsylvania.

This agreement marks a major victory for Pennsylvania and the entire PJM region, reinforcing **Governor Shapiro's** commitment to standing up for consumers, challenging unnecessary rate hikes, and driving energy market reforms.

Read what labor and industry leaders, advocates, and consumer groups are saying about the Governor's agreement with PJM:

David Masur, PennEnvironment Research & Policy Center Executive Director: "We thank Governor Shapiro for his action — and so should all of Pennsylvania's utility customers. Now, it's critical that PJM allows more renewable energy onto the grid."

Abe Scarr, U.S. PIRG Education Fund Energy and Utilities Program Director: "Thanks to Governor Shapiro and the other governors who supported this complaint, consumers will be spared from billions of dollars in excessive utility bill charges. But while this is welcome news, PJM must still fix its broken interconnection process and stop holding up clean energy."

Julia Kortrey, Evergreen Action Deputy State Policy Director: "Today's settlement is a major victory for consumers across the region. It shouldn't have taken a lawsuit for PJM to prioritize protecting ratepayers, but we're deeply grateful for the leadership of Governor Shapiro."

Rob Gramlich, President of Grid Strategies: "Governor Shapiro navigated the quagmire of power market and regulatory complexity in order to reach an agreement. Approvals are required at the PJM and FERC levels, so it's not assured, but this is very big step."

Tom Rutigliano, senior advocate for climate and energy, Natural Resources Defense Council: "It buys time to try to fix the problem. It essentially stabilizes [the upcoming auction] and prevents perhaps tens of billions of excess charges."

Minta Livengood, a Pennsylvania senior from Indiana County: "As someone who relies on programs like LIHEAP, SNAP, and the waiver program, I understand how rising costs impact seniors. These programs help me stay independent and connected

to my community. Since 1981, I've advocated for others, volunteering in Indiana County and working with CAUSE-PA to lower utility bills. Rising costs force seniors on fixed incomes to choose between basic needs. I'm grateful the Governor intervened to prevent electricity prices from increasing, which would have devastated families.

Rhodia Thomas, Executive Director, Mid-Penn Legal Services: "A significant part of the work we do at Mid-Penn focuses on assisting low-income Pennsylvanians who struggle with utility costs, especially during these harsh winter months. Many of our clients face difficult choices just to keep their homes warm and their families safe due to rising energy prices. That's why we are honored to host Governor Shapiro and his team today — his efforts to lower electricity bills and create affordable energy solutions directly impact the communities we serve, providing families with critical relief and much-needed hope."

Elizabeth Marx, Executive Director, Pennsylvania Utility Law Project: "I'm proud to lead the Pennsylvania Utility Law Project in ensuring that Pennsylvanians with limited means can access safe, affordable utilities. In 2024, over 377,000 families faced service shutoffs due to unaffordable bills — a 15% increase from 2023. This growing crisis highlights the 'heat or eat' dilemma many are facing. Standing with Governor Shapiro to celebrate his leadership in advancing energy affordability is an honor, as his swift action will save Pennsylvanians billions and prevent unnecessary waste."

Bill Johnston-Walsh, AARP Pennsylvania State Director: "We hear daily about how rising utility costs strain Pennsylvanians — especially those who want to stay in the homes they worked so hard to purchase. By taking action to prevent rising energy costs, Governor Shapiro is helping them maintain financial stability. We commend his leadership and remain committed to protecting consumers now and into the future."

Representative Elizabeth Fiedler: "I applaud the Governor's work to create a price ceiling with PJM for the upcoming capacity auctions. His intervention is going to save Pennsylvanians billions on their energy bills. As Chair of the House Energy committee, I know there is more work to do to ensure everyone's heat and electricity bills are affordable, but this action will provide us time to address the great challenges we face."

See what Pennsylvanians are reading and hearing about the Governor's agreement with PJM:

E&E News: Pennsylvania governor negotiates a deal with PJM over power prices

Reuters: Pennsylvania Governor and PJM reach agreement over capacity payments

<u>Lehigh Valley Business: Shapiro announces agreement with PJM to prevent unnecessary price hikes</u>

<u>Pittsburgh Post-Gazette: Shapiro and electrical grid coordinator reach deal as top</u>
Pa. regulator predicts 'spikes' in cost

The Tribune-Democrat: Shapiro says deal pending with power grid operator to limit potential price hikes

The Center Square: Price cap possible as rising energy costs loom

<u>Pennsylvania Captial-Star: Shapiro administration announces settlement to</u> prevent billions in extra electricity costs

The Daily Item: Shapiro says deal pending with power grid operator to limit potential price hikes

<u>Pittsburgh Business Times: Shapiro reaches deal with PJM to limit electricity price hikes for Pennsylvania consumers</u>

Billy Penn: Electric grid operator agrees to Shapiro demand on power price cap

Utility Dive: PJM agrees to lower price cap for upcoming capacity auctions

Governor Shapiro remains committed to long-term solutions that prevent future price hikes, streamline energy project approvals, and modernize PJM's market rules to ensure affordable, reliable electricity for all Pennsylvanians.