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***FOR IMMEDIATE RELEASE***

## **The Grid Performed, PJM's Crisis Narrative Did Not**

COLUMBUS, Ohio – The Ohio Manufacturers' Association (OMA) today called on the Federal Energy Regulatory Commission (FERC) and Congress to investigate whether PJM Interconnection's market rules, demand forecasts and interconnection delays are producing just and reasonable rates for customers.

Last week's extreme heat pushed electricity demand toward levels the region has experienced before, and the grid performed.

An OMA analysis of PJM operating data found that during the hottest hours of July 2, PJM maintained an average of approximately 9,700 megawatts of operating reserves capable of responding within 30 minutes. PJM required an average of roughly 3,200 megawatts during that period.

That left about 6,500 megawatts of operating reserves above the required level on average during the day. In total, reserves had enough power to serve approximately 100 steel mills or 100 hyperscale data centers. Even during the tightest hour of the hottest day, PJM maintained 55% more operating reserves than required.

PJM may point to spot-price spikes as evidence of scarcity. But high spot prices are common and occur on many non-peak days, as do low spot prices. Spot prices are not proof that the region lacked power, particularly when reserves remained above required levels and viable generation remains stuck in PJM's backlog.

Natural gas, nuclear, coal and solar generation served demand. Manufacturers and other customers provided additional capacity through compensated demand response and peak-load management. PJM also continued exporting power during much of the heat wave and did not rely significantly on imports during the peak hour.

"PJM cannot warn that the region is running out of power while keeping new generation trapped in its own interconnection backlog," said OMA President Ryan Augsburger. "It cannot treat speculative demand as certain, restrict new supply and then use higher prices as evidence that its market is working. That is not customer protection. It is institutional hypocrisy."

PJM capacity prices have increased by more than 1,000% since 2024, imposing billions of dollars in additional costs on customers. Those increases have occurred while new generation projects remain delayed and uncertain large-load forecasts are allowed to influence planning and prices as though the demand is guaranteed to materialize.

OMA said the contradiction is clear. PJM cites a shortage of resources while its own processes delay new supply. It warns that demand is outrunning generation while treating speculative projects as firm load.

“Customers should not be charged scarcity prices while viable resources remain stuck in administrative processes,” Augsburger said. “PJM must prove that its prices reflect real reliability needs, not speculative forecasts, artificial barriers to entry or problems of its own making.”

OMA called on FERC to review whether PJM’s capacity-market rules remain just and reasonable in light of actual system performance. The commission should also require transparent standards for including large loads in forecasts, impose meaningful project-readiness requirements and accelerate reforms that allow new generation and storage to connect.

Congress should exercise oversight to determine whether federal regulators are adequately protecting manufacturers, families and other customers from market outcomes driven by speculation and administrative failure.

“PJM cannot create scarcity through bureaucratic delay, amplify it through speculative forecasts and then charge customers for the problem,” Augsburger said. “The grid performed during extreme heat. The hypocrisy is claiming that successful performance validates a market structure that restricts supply, inflates demand and sends the bill to customers.”

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*The Ohio Manufacturers' Association is Ohio's largest statewide business association composed solely of manufacturers. Established in 1910, the OMA's mission is to protect and grow Ohio manufacturing. It represents manufacturers of all sizes in every subsector of the industry. Manufacturing is Ohio's largest economic sector, employing approximately 690,000 Ohioans and contributing more than \$138 billion annually to the economy. Visit [ohiomfg.com](http://ohiomfg.com), or follow us on [LinkedIn](#), [X](#), [Facebook](#) and [YouTube](#).*

**Dave O’Neil**

Director, Communications and Marketing  
(614) 302-7990  
doneil@ohiomfg.com