



## Emergency Orders on Electric Grid Reliability

*Updated 28 May 2026*

**Action:** With the approach of higher summer temperatures and increased electricity demand from data centers, nationwide concerns about the reliability of the regional electric grids grow. On May 21, the Department of Energy (DOE) issued a series of emergency orders aimed at strengthening electric grid reliability across the Mid-Atlantic. DOE authorized PJM Interconnection, in cooperation with Talen Energy Corporation, to run Unit 4 at the Wagner Generating Station in Anne Arundel County, Maryland, from May 22- August 19, 2026, to help meet anticipated electricity demand. <sup>1</sup> DOE also ordered PJM and Constellation Energy to keep Units 3 and 4 of the Eddystone Generating Station in Pennsylvania available for operation through August 22, 2026, despite its planned retirement. <sup>2</sup> Days earlier, on May 18, DOE temporarily authorized PJM to curtail electricity supplies to data centers and other large load consumers during emergency conditions. <sup>3</sup>

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- PJM Interconnection, the US' largest grid operator, is a regional grid operator which coordinates wholesale electricity for approximately 65 million people in 13 states and Washington, DC.
- The emergency orders reflects growing Federal concern over tightening reserve margins and increased electricity demand. DOE's press release cites summer heat waves and severe weather amid the increased rate of generator retirements across the region.

- Energy demand driven by data center expansion has drastically driven up the cost of energy in the PJM region. Electricity prices jumped nearly 76% in the first quarter of 2026 year-over-year, with the total cost of wholesale power increasing to \$136.53 per megawatt-hour in the first three months of the year, up from \$77.78 during the same quarter in 2025, according to a recent report.<sup>4</sup> In a statement, a PJM spokesperson said the rising prices outlined in the report “are an accurate indication of the tightening supply and demand condition in the wholesale markets [.]”
- State officials across the Mid-Atlantic have criticized PJM over rising electricity prices, delays in connecting new generation resources to the grid, and concerns regarding long-term reliability planning. Maryland Governor Wes Moore recently spoke at PJM’s annual meeting, criticizing the operator’s lack of urgency in responding to growing electricity demand and calling for greater accountability and faster action to address reliability and affordability challenges. <sup>5</sup>
- **What this means for business:** Because the emergency orders seek to reduce the risk of immediate reliability concerns rather than solving the underlying structural-demand issue, businesses operating in the PJM region are likely to continue to face elevated wholesale electricity costs. DOE may also seek similar actions affecting other regional grid operators.
  - Companies developing or operating data centers, AI infrastructure, and other large-load facilities may face increased regulatory and utility scrutiny regarding electricity consumption, interconnection timing, and programs for curtailment of service as policymakers focus more closely on the impacts of rapidly growing electricity demand.
  - Businesses should anticipate continued debate among Federal agencies, state governments, and utilities and grid operators regarding PJM governance, transmission expansion, interconnection reform, and cost allocation for large new electricity loads.
  - Businesses involved in generation development, transmission infrastructure, energy storage, and grid modernization technologies, among other power-generating industries, may see increased opportunities for expansion as policymakers seek long-term reliability solutions and additional dispatchable generation capacity.

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[1] US Department of Energy, [Energy Secretary Strengthens Mid-Atlantic Grid Reliability](#), May 21, 2026.

[2] US Department of Energy, [Energy Secretary Keeps Critical Generation Online in Mid-Atlantic](#), May 21, 2026.

[3] US Department of Energy, *Order No. 202-2-23*, May 18, 2026.

[4] E&E News, *Data Centers Drive 76% Surge in PJM Power Prices*, May 15, 2026.

[5] E&E News, *PJM Takes a Political Pounding at its Annual Meeting*, May 12, 2026.

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