

Governor Phil Murphy

# Governor Murphy Joins Group of Bipartisan Governors to Request Price Cap Extension to Keep Utility Costs From Rising Amid Regional Cost Crisis

Posted on - 12/5/2025

*Governors Seek to Prevent Near-Term Electricity Cost Spike While States Push for Long-Term Reforms*

**TRENTON** – Governor Phil Murphy joined a bipartisan group of Governors from Pennsylvania, Maryland, Virginia, Delaware, and Illinois to [pen a letter](https://nj.gov/governor/docs/20251203-PJM-Board-CIFP-Letter.pdf) (<https://nj.gov/governor/docs/20251203-PJM-Board-CIFP-Letter.pdf>).

Wednesday to PJM Interconnection's Board of Managers calling on the grid operator to take decisive action to avoid significant price increases for customers and to ensure the grid remains reliable – including calling for an extension of a price cap that would keep electricity prices from growing exponentially in 2026.

The letter comes on the heels of the Murphy Administration's release of the [2024 Energy Master Plan](https://www.nj.gov/governor/news/news/562025/approved/20251124a.shtml) (<https://www.nj.gov/governor/news/news/562025/approved/20251124a.shtml>), which prepares for a massive shift in the overall energy landscape for the first time in decades with significant increases in electricity demand. As the plan states, New Jersey and the region must take actions to offset new cost and reliability implications of significant large load additions (LLAs) such as data centers. PJM's Independent Market Monitor projects that nearly all 32 gigawatts of peak load growth by 2030 is associated with large load data center construction across the PJM region, composed of 13 states and the District of Columbia. The joint letter comes after PJM launched a fast-track plan to set rules for adding LLAs into the region's shared grid while ensuring reliability and affordability.

The Governors' letter shares concern that proposals put forth by PJM Members at a November 19 meeting are insufficient to prevent rising utility costs and issues with reliability, offering only incremental improvements to existing processes without meaningfully facilitating responsible LLA integration, or the much-needed increase in generation that is required.

"We are united in urging PJM's Board to implement a plan that ensures affordability and reliability," **said Governor Murphy**. "The Board must take steps to avoid dramatic price spikes that unfairly burden families and businesses while we work toward long-term reforms. Without measures in place to protect consumers, the cost that results from next summer's auction could double from this July's record amount while still failing to ensure that our grid is reliable as more large facilities come online. PJM, states, and industry must work together on a responsible solution for consumers."

 Back to top

PJM prices have hit historic highs, with the last capacity auction held in July 2025 resulting in \$16.1 billion of new costs allocated to PJM ratepayers, including \$2 billion of new costs to New Jersey families and businesses. Earlier in 2025, Pennsylvania and PJM Interconnection reached an agreement on a price cap that prevented \$21 billion in price hikes on consumers across all 14 jurisdictions PJM serves, including New Jersey. The letter sent Wednesday calls for an extension of the price cap for one additional auction.

In September 2025, Governor Murphy joined a group of bipartisan governors across the region in signing on to the [PJM Governors' Collaborative \(https://nj.gov/governor/news/news/562025/approved/20250926b.shtml\)](https://nj.gov/governor/news/news/562025/approved/20250926b.shtml) in order to address long-term issues with electricity affordability and grid reliability.

To view the full letter, [click here \(https://nj.gov/governor/docs/20251203-PJM-Board-CIFP-Letter.pdf\)](https://nj.gov/governor/docs/20251203-PJM-Board-CIFP-Letter.pdf).

## Governor Phil Murphy

[Home \(/governor/\)](/governor/)

### Administration

[Governor Phil Murphy \(/governor/admin/about\)](/governor/admin/about)

[Lt. Governor Tahesha Way \(/governor/admin/lt\)](/governor/admin/lt)

[In memoriam of Lt. Governor Sheila Y. Oliver \(/governor/admin/lt-sheila-y-oliver\)](/governor/admin/lt-sheila-y-oliver)

[Senior Staff \(/governor/admin/staff\)](/governor/admin/staff)

[Cabinet \(/governor/admin/cabinet\)](/governor/admin/cabinet)

[Office of Climate Action and the Green Economy \(/governor/climateaction/\)](/governor/climateaction/)

[Office of Equity \(/governor/admin/equity/\)](/governor/admin/equity/)

[Office of Health Care Affordability and Transparency \(/governor/admin/affordablehealthcare/index.shtml\)](/governor/admin/affordablehealthcare/index.shtml)

[Boards, Commissions & Authorities \(/governor/admin/bca\)](/governor/admin/bca)

[New Jersey Puerto Rico Commission \(https://www.nj.gov/puertoricocommission/\)](https://www.nj.gov/puertoricocommission/)

[Internship Opportunities \(/governor/admin/internship.shtml\)](/governor/admin/internship.shtml)

[Governor's Fellows Program \(/governor/admin/fellows\)](/governor/admin/fellows)

[Governor's Residence - Drumthwacket \(http://drumthwacket.org/\)](http://drumthwacket.org/)

### Key Initiatives

[Economy & Jobs \(/governor/initiatives/#Economy\)](/governor/initiatives/#Economy)

[Education \(/governor/initiatives/#Education\)](/governor/initiatives/#Education)

[Environment \(/governor/initiatives/#Environment\)](/governor/initiatives/#Environment)

[Health \(/governor/initiatives/#Health\)](/governor/initiatives/#Health)

[Law & Justice \(/governor/initiatives/#Justice\)](/governor/initiatives/#Justice)

[Transportation \(/governor/initiatives/#Transportation\)](/governor/initiatives/#Transportation)

## News & Events

[Press Releases \(/governor/news/news/562024/approved/news\\_archive.shtml\)](/governor/news/news/562024/approved/news_archive.shtml)

[Photos \(https://www.flickr.com/photos/govmurphy\)](https://www.flickr.com/photos/govmurphy)

[Public Addresses \(/governor/news/addresses\)](/governor/news/addresses)

[Executive Orders \(/infobank/eo/056murphy/approved/eo\\_archive.html\)](/infobank/eo/056murphy/approved/eo_archive.html)

[Administrative Orders \(/governor/news/ao/approved/ao\\_archive.shtml\)](/governor/news/ao/approved/ao_archive.shtml)

[Direct Appointments \(/governor/news/appointments\)](/governor/news/appointments)

[Advice and Consent Appointments \(/governor/news/acappointments\)](/governor/news/acappointments)

[Statements on Legislation \(/governor/news/statements/approved/statements\\_archive.shtml\)](/governor/news/statements/approved/statements_archive.shtml)

[Administration Reports \(/governor/news/adminreports/approved/archive.shtml\)](/governor/news/adminreports/approved/archive.shtml)

[Transition Reports \(/governor/news/reports/approved/reports\\_archive.shtml\)](/governor/news/reports/approved/reports_archive.shtml)

[Press Kits \(/governor/news/press\)](/governor/news/press)

## Social

[Facebook \(https://www.facebook.com/governorphilmurphy/\)](https://www.facebook.com/governorphilmurphy/)

[Twitter \(https://twitter.com/GovMurphy\)](https://twitter.com/GovMurphy)

[Instagram \(https://www.instagram.com/govmurphy/\)](https://www.instagram.com/govmurphy/)

[Snapchat \(https://www.snapchat.com/add/philmurphy\)](https://www.snapchat.com/add/philmurphy)

[YouTube \(https://www.youtube.com/njgovernorsoffice\)](https://www.youtube.com/njgovernorsoffice)

[Bluesky \(https://bsky.app/profile/govmurphy.bsky.social\)](https://bsky.app/profile/govmurphy.bsky.social)

## Contact Us

[Scheduling Requests \(/governor/contact/scheduling/\)](/governor/contact/scheduling/)

[Contact Us \(/governor/contact/all/\)](/governor/contact/all/)

## Statewide

**[NJ Home \(/www.nj.gov\)](http://www.nj.gov)**

**[Services A to Z \(/www.nj.gov/nj/gov/njgov/alphaserv.html\)](http://www.nj.gov/nj/gov/njgov/alphaserv.html)**

**[Departments/Agencies \(/www.nj.gov/nj/gov/deptserv/\)](http://www.nj.gov/nj/gov/deptserv/)**

**[FAQs \(/www.nj.gov/faqs/\)](http://www.nj.gov/faqs/)**

**[Contact Us \(/www.nj.gov/nj/feedback.html\)](http://www.nj.gov/nj/feedback.html)**

**[Privacy Notice \(/www.nj.gov/nj/privacy.html\)](http://www.nj.gov/nj/privacy.html)**

**Legal Statement & Disclaimers ([//www.nj.gov/nj/legal.html](http://www.nj.gov/nj/legal.html))**

**Accessibility Statement ([//www.nj.gov/nj/accessibility.html](http://www.nj.gov/nj/accessibility.html))**

([//nj.gov/opra/](http://nj.gov/opra/))

(<https://my.nj.gov/>)

Copyright © State of New Jersey, 1996-2025  
Office of Governor PO Box 001  
Trenton, NJ 08625  
609-292-6000

(<https://tech.nj.gov/>)