ALLEGHENY CONFERENCE

ENERGY AGENDA 2025-2026

Southwestern Pennsylvania's economic trajectory has recently improved through strategic investments and business-friendly policies that enhance regional competitiveness. Energy is a big bet for our region. Reliable, affordable energy is essential to economic growth, yet rising demand and grid challenges threaten our competitiveness. Since 2022, the Allegheny Conference has helped shape a **vision for the region's energy future**, forging key partnerships and securing critical funding. Now, we must shift from strategy development to execution.

THE CHALLENGE

The PJM electrical transmission region is projected to face electricity shortages by 2030 due to the expected retirement of 40 GW of existing thermal generators and the slow pace of new generation construction. At the same time, electricity demand is increasing as energy-intensive industries – such as AI-driven data centers and the electrification of industrial processes and transportation – rapidly expands. These pressures threaten grid reliability and drive energy costs up, putting economic growth and our region's quality of life at risk. Without resolving the region's energy adequacy challenge, residential and business customers will face much higher electricity bills, potential for rolling blackouts, and stalled economic growth.

THE OPPORTUNITY

Reliable and affordable baseload energy supply is the path to unlocking regional economic growth. Therefore, our top priority is to join others in leveraging the abundant natural resources, technological capabilities, and deep energy expertise to solve grid reliability issues while positioning for positive economic growth and regional prosperity. By addressing energy resource adequacy in a proactive and strategic way, we aim to position the region as a global energy leader, creating a robust and lasting base of well-paid jobs while restoring the region's economic engine.

Powering our Economy through Energy

Discover our energy strategy for southwestern Pennsylvania.

THE SOLUTION

Our strategy is built on three pillars:

Policy Strategy: Advocate for a balanced, competitive, and forward-looking framework that connects both energy security and economic growth while providing regulatory clarity for businesses, investors, and energy producers. This will enable innovation and the deployment of capital for critical energy infrastructure.

- **Permitting Reform:** Streamlining and centralizing approval processes to accelerate new energy generation and large industrial projects, while ensuring necessary/appropriate environmental protections.
- **Financial Incentives:** Leveraging state and federal programs to attract investment in energy infrastructure.
- **Competitive Transition Frameworks:** Ensuring a balanced approach to energy transition that safeguards economic growth.
- **Long-Term Energy Security Policies:** Establishing a predictable regulatory environment to support growing demand while maintaining affordability.

Investment Strategy: Enable the buildout of new power generation capacity. Unlock the full potential of natural gas in ensuring grid reliability and pricing stability in the short term. Position the region as first mover for advanced nuclear deployment.

Market Strategy: Expand the region's energy-intensive economy by capitalizing on our competitive advantages, intentionally aligning energy demand to secure investment and enhance regional competitiveness.

- **Advanced Manufacturing:** Producing energy technologies and solutions such as microreactors, turbines, switch gears, battery storage, sustainable aviation fuels, and similar solutions.
- **Digital Infrastructure:** Expanding data centers and other facilities that position the region as a hub for AI-driven activity across industry sectors.

OUR APPROACH

As defined in our **long-term regional energy strategy**, we form collaborative efforts and pursue six specific actions to advance our goals:

ACTION	EXAMPLES OF EFFORTS
Support first movers who can implement solutions at scale	• Business Attraction & Expansion Efforts • Energy Taskforce • Advanced Nuclear Work Group
Enable effective policy and regulatory frameworks	• Board-Level Policy and Energy Committees • Outreach and Advocacy with State and Federal Executive and Legislative Leaders • Harrisburg Reception
Attract government investment to support deployment of new technologies and solutions	• Board-Level Federal Relations Committee (education and advocacy) • Technical Assistance, Coordination, and Advocacy on Applications • DC Fly-In
Build shared understanding of challenges and opportunities, and form purposeful coalitions	• RIC Events, Briefings, and Communications • Regional Decarb Forum • DOE/National Labs Technical Assistance • Events Co-Executed with Partners
Continue to improve healthy host conditions	• State Siting Board Implementation • Continued Business Tax and Regulatory Improvements • Enactment of Job Creation and Modified PA EDGE Tax Credit
Ensure a coordinated approach to talent and workforce issues	• Coordinated Planning with Recruitment, Training, and Hiring • Regional Thought Leadership Summit