



MC Legal Report
Summary of Significant Filings, Legal Activity
and
Federal Energy Regulatory Commission (“Commission”) Orders
(April 9, 2018 – June 10, 2018)

ORDERS

On April 13, 2018, in Docket No. ER18-934-000, the Commission issued an order accepting PJM's revisions to PJM Operating Agreement, Schedule 1 and the parallel provisions in PJM Tariff, Attachment K-Appendix pertaining to modification to the long-term FTR auction model. The revisions are effective May 1, 2018.

On April 13, 2018, in Docket No. ER18-893-000, the Commission issued an order accepting PJM's numerous non-substantive, clerical, and ministerial, as well as some substantive revisions, to correct, clarify and/or make consistent certain provisions in the PJM Tariff specific to the generation and transmission interconnection process. The revisions become effective as of April 23, 2018.

On April 17, 2018, in Docket No. ER18-870-000, the Commission issued an order accepting tariff revisions regarding PJM's proposed revisions to the PJM Tariff and the RAA. The revisions establish a procedure to facilitate the implementation of any restrictions imposed on energy efficiency resources (“EERs”) by a relevant electric retail regulatory authority authorized by the Commission to opt-out and restrict the sale of EERs into PJM's market. The revisions are effective April 17, 2018.

On April 19, 2018, in Docket No. ER17-1016-001, the Commission issued an order accepting Commonwealth Edison Company's and Baltimore Gas and Electric Company's (“BGE”) (collectively, “Settling Parties”) Settlement Agreement to resolve all issues on the allocation of \$1.159 million of Mid-Atlantic Power Pathway project abandonment costs by BGE associated with baseline upgrades b0512.33 and b0512.43. The Commission directed the Settling Parties to submit a compliance filing within 30 days of the date this order was issued.

On April 24, 2018, in Docket No. ER17-217-005, the Commission issued an order accepting Jersey Central Power & Light Company's revisions to the PJM Tariff in compliance with the Commission's February 20, 2018 order accepting an uncontested Offer of Settlement resolving the issues set for hearing in this docket. The revisions and revised rates are effective as of June 1, 2017.

On May 2, 2018, in Docket No. ER18-1131-000, the Commission issued an order accepting revisions to the PJM Tariff, Schedule 12-Appendix A to incorporate cost responsibility assignments for new baseline upgrades included in the recent update to

the Regional Transmission Expansion Plan (“RTEP”) approved by the PJM Board of Managers on February 14, 2018. The revisions become effective on June 14, 2018.

On May 4, 2018, in Docket Nos. ER18-815-000, 001 and 002, the Commission issued an order accepting PJM’s revisions to PJM Tariff, Attachment Q, to correct an inadvertent credit requirement that had been imposed on certain resources providing Regulation service to PJM. The revisions eliminate the misalignment between the application of credits from Regulation service with the energy used to provide that service in the billing statements issued by PJM. The revisions are effective April 9, 2018.

On May 4, 2018, in Docket No. ER18-1148-000, the Commission issued an order accepting revisions to PJM Operating Agreement, Schedule 6, section 1.5 to incorporate revisions previously accepted by the Commission, but due to the overlapping timing of filings and alternative effective date ordered by the Commission for revisions to Section 1.5, absent this clean-up, Section 1.5 will not correctly reflect such revisions historically. The revisions remain effective consistent with the dates requested and accepted or ordered by the Commission in the respective dockets. The Commission also accepted PJM’s ministerial revisions to PJM Operating Agreement, Schedule 6, sections 1.3 and 1.5 to modify the format of certain section references to become effective May 21, 2018.

On May 8, 2018, in Docket No. ER18-988-000, the Commission issued an order rejecting tariff revisions and terminating section 206 proceeding. The order rejects PJM’s March 9, 2018 proposal containing revisions to the PJM Tariff and RAA to reform PJM’s Incremental Auctions and address excess capacity. Additionally, the order terminates the FPA section 206 proceeding in Docket No. EL14-48-000.

On May 9, 2018, in Docket No. ER16-2401-001, the Commission issued an order accepting a compliance filing in accordance with the Commission’s January 18, 2018 order accepting the revisions to PJM Tariff and PJM Operating Agreement directing PJM to replace the effective date requested by PJM with an effective date of January 18, 2018.

On May 24, 2018, in Docket No. ER18-1385-000, the Commission issued an order accepting revisions to the PJM Tariff, Schedule 12 to clean-up language previously accepted by the Commission but due to (i) a rejected filing being accepted on rehearing after subsequent filings that inadvertently omitted these revisions; and (ii) a deferred effective date Schedule 12 does not correctly reflect the revisions historically.

On May 31, 2018, in Docket No. EL05-121-009, the Commission issued an order on contested settlement approving the offer of settlement filed on June 15, 2016 in this docket. The Offer of Settlement resolved the cost responsibility assignments for transmission projects approved by the PJM Board before February 1, 2013, operating at or above 500 kV that were allocated using the 100 percent-load ratio share method established in Opinion No. 494. In the May 30 Order, the Commission found that the

overall result of the settlement is just and reasonable as applied to the contesting parties that included Linden VFT, Neptune Regional Transmission System, Long Island Power Authority, Hudson Transmission Partners and New York Power Authority. The Commission directed PJM to submit a compliance filing with revised tariff records in eTariff within 30 days of the May 30 Order reflecting the Commission's action and an effective date of May 31, 2018.

On June 8, 2018, the Secretary of Energy ("Secretary") issued Order No. 202-18-4 finding an emergency exists pursuant to FPA Section 202(c) that requires targeted intervention by the Secretary in order to preserve the reliability of the bulk power grid in the North Hampton Roads area on the Virginia Peninsula in the Commonwealth of Virginia ("Virginia Peninsula"). Under this order, PJM may direct Dominion Energy Virginia ("Dominion") to operate, on a contingent basis, the Yorktown coal-fired units (the "Yorktown Units 1 & 2") at Dominion's Yorktown Power Station when needed to avoid loss of electric power to customers on the Virginia Peninsula during certain peak periods. PJM may apply for renewals of the Secretary's order prior to the order's 90-day expiration date provided PJM and Dominion submit a renewal request to the Secretary at least 21 calendar days before the order expires.

FILINGS

On April 9, 2018, in Docket No. ER18-1314-000, PJM submitted revisions to the PJM Tariff to propose two, mutually exclusive, alternative proposals for addressing the impacts of state public policies on the PJM capacity market. Option A is the Capacity Repricing proposal and Option B is the Minimum Offer Pricing Rule (MOPR)-Ex proposal. PJM asks for the Commission to issue an order accepting either Option A or Option B by June 29, 2018. PJM asks for an effective date of January 4, 2019.

On April 11, 2018, in Docket Nos. EL17-36-000 and EL17-32-000, PJM submitted comments pursuant to the Commission's request for comments issued March 16, 2018 regarding issues surrounding seasonal capacity. These comments were filed in advanced of the technical conference scheduled for April 24, 2018.

On April 13, 2018, in Docket No. ER15-994-000, PJM submitted its annual compliance report of operating penalty assessments and distributions pursuant to Order No. 890 and Order No. 890-A to report PJM's assessment and distribution of operating penalties for the period of January 1, 2017 through December 31, 2017.

On April 13, 2018, PJM submitted with the Department of Energy a Motion to Intervene and Limited Response to the March 29, 2018 Request ("Request") for Emergency Order Pursuant to Federal Power Act Section 202(c) by FirstEnergy Solutions Corp ("FES"). The limited response addressed the following points: (i) FES has not objectively established that an emergency exists within the meaning of FPA Section 202(c) or that there is an immediate threat to system reliability; and (ii) since FES relies on a report issued by the National Energy Technology Laboratories ("NETL") on March 13, 2018 to support the Request, PJM attached are report giving PJM's perspective and response to the NETL Report.

On April 16, 2018, PJM submitted a correction to its April 9, 2018 filing containing revisions to the PJM Tariff to establish the appropriate federal and regional transmission organization response to address supply-side state subsidies and their impact on the determination of just and reasonable prices in the PJM capacity market. Specifically, today's filing makes three corrections to the Tariff revisions in PJM's capacity repricing proposal (Option A) contained in the April 9 filing.

On April 16, 2018, in Docket ER18-1314-001, PJM submitted a correction to its April 9, 2018 filing containing PJM's Capacity Repricing and MOPR-Ex proposals to revisions to the PJM Tariff to address supply-side state subsidies and their impact on the determination of just and reasonable prices in the PJM capacity market. The filing makes three corrections to the Tariff revisions in PJM's capacity repricing proposal (Option A) contained in the April 9 filing. The filing does not impact PJM's requested order or effective date.

On April 16, 2018, in Docket No. ER18-988-000, PJM submitted a Motion for Leave to Answer and Answer in response to the March 30, 2018 protests filed by FES, Dominion

and Direct Energy regarding PJM's March 9, 2018 proposed Incremental Auction revisions to the PJM Tariff and RAA. PJM's answer provides, among other things, the rationale for releasing excess capacity commitments at the relevant Base Residual Auction price, the justification for the elimination of the Excess Commitment Credits, and the reason the Commission should not postpone the effective date of the proposed changes.

On April 17, 2018, in Docket No. ER18-460-001 Ohio Valley Electric Corporation ("OVEC") and PJM submitted a notification to the Commission that the effective date for the PJM Tariff records accepted to implement the integration of OVEC into the PJM region has been further delayed to ensure a smooth transition of OVEC's operations into PJM.

On April 17, 2018, in Docket No. ER18-459-001 OVEC and PJM submitted a notification to the Commission that the effective date for the PJM Tariff records accepted to implement the integration of OVEC into the PJM region has been further delayed to ensure a smooth transition of OVEC's operations into PJM.

On April 17, 2018, in Docket No. ER18-1385-000, PJM submitted revisions to the PJM Tariff, Schedule 12 to clean-up language previously accepted by the Commission but due to (i) a rejected filing being accepted on rehearing after subsequent filings that inadvertently omitted these revisions; and (ii) a deferred effective date Schedule 12 does not correctly reflect the revisions historically.

On April 19, 2018, in Docket No. EL18-34-000, PJM submitted an answer in response to comments raised on PJM's proposal relating to the Commission's order on fast-start pricing reform.

On April 24, 2018, in Docket Nos. ER17-179-002, -003 and EL16-71-000, PJM submitted a Motion for Leave to Answer and Answer to protests filed on behalf of Old Dominion Electric Cooperative and the Load Group in response to PJM's and the PJM Transmission Owners' March 19, 2018 Compliance Filings including PJM's proposed revisions to the PJM Operating Agreement, Schedule 6 to ensure clarity to the provisions governing the planning of Supplemental Projects.

On April 25, 2018, in Docket No. ER17-2577-001, PJM submitted a Motion to Intervene Out-of-time regarding York Haven Power Company, LLC's April 12, 2018, refund report submitted in accordance with the Commission's February 26, 2018, letter order.

On April 25, 2018, PJM and Dominion submitted a report pursuant to Order No. 202-18-3 ("Order") issued March 13, 2018, by the Secretary of Energy ("Secretary") regarding a test run of Yorktown Units 1 and 2 on April 11, 2018. In the Order, the Secretary directed PJM and Dominion to "report all dates on which Yorktown Unites 1 and 2 are operated as well as the estimated emissions and water usage data associated with their operations."

On April 30, 2018, in Docket No. ER18-1483-000, PJM submitted proposed revisions to the PJM Operating Agreement, Schedule 12, and the RAA, Schedule 17, to (i) add the new members, (ii) remove withdrawn members, (iii) reflect the signatories to the RAA, and (iv) reflect members' whose corporate names changed during the first quarter of 2018. PJM requested the revisions be effective as of March 31, 2018.

On April 30, 2018, PJM submitted with Secretary of Energy additional new information to enhance the record and contribute the Secretary's understanding of the issues regarding the March 29, 2018 Request For Emergency Order Pursuant To Federal Power Act Section 202(c) By FES.

On April 30, 2018, in Docket No. ER18-87-002, PJM submitted a Request for Rehearing of the Commission's March 30, 2018 order rejecting PJM's proposed revisions to the Tariff and PJM Operating Agreement to reflect the value contributions of specific Regulation resources to system reliability. In addition, PJM requests that the Commission clarify that PJM is not precluded from demonstrating its proposed approach in a subsequent Section 205 filing.

On May 1, 2018, in Docket No. ER18-1455-000, PJM submitted a Motion to Intervene and Comments in order to confirm that there will be no adverse reliability impacts to the PJM system in the event the Commission grants Southern Power's waiver request.

On May 3, 2018, in Docket No. ER18-614-002, PJM submitted its responses to the Commission's April 3, 2018 Deficiency Letter requesting additional information regarding PJM's determination not to allocate costs to Linden VFT, LLC ("Linden") and Hudson Transmission Partners, LLC ("HTP") (collectively, "MTFs") for five interregional Targeted Market Efficiency Projects approved by the PJM Board of Managers on December 6, 2017, due to their conversion of Firm Transmission Withdrawal Rights ("TWRs") to Non-Firm TWRs, effective January 1, 2018. In addition, PJM confirmed that the MTFs conversion from Firm to Non-Firm TWRs did not impact the need for two baseline upgrades b2955 and b2956 approved by the PJM Board on December 6, 2017 and included in the RTEP. PJM continues to request an effective date of April 5, 2018, for the amendments to the PJM Tariff, Schedule 12-Appendix A to incorporate cost responsibility assignments for new baseline upgrades.

On May 4, 2018, in Docket No. ER18-1202-000, PJM submitted on behalf of American Electric Power Service Corporation, and on behalf of its affiliates an informational filing advising the Commission of a revised refund for prior periods associated with Settlement filing with the Commission in Docket No. EL17-13-000.

On May 4, 2018, in Docket No. ER18-1528-000, PJM submitted non-substantive, clerical, ministerial and substantive revisions to correct, clarify, and/or make consistent certain provisions of the PJM Tariff, PJM Operating Agreement and the RAA. PJM is requesting an effective date of July 3, 2018.

On May 7, 2018, in Docket No. ER18-1528-000, PJM submitted an errata filing to correct the inadvertent omission of Attachment C, a chart describing the proposed non-substantive, clerical, ministerial and substantive revisions submitted in its initial filing on May 4, 2018. The revisions correct, clarify, and/or make consistent certain provisions of the PJM Tariff, PJM Operating Agreement and the RAA. PJM is requesting an effective date of July 3, 2018.

On May 7, 2018, in Docket No. ER18-1245-000, PJM submitted an Answer in Response to the Protest submitted on April 20, 2018, by DC Energy LLC; Monolith Energy Trading LLC; Mercuria Energy American, Inc.; TPC Energy, LLC; and Vitol Inc. regarding PJM's March 30, 2018 filing. The filing proposed revisions to the PJM Operating Agreement, Schedule 1 and the parallel provisions of PJM Tariff, Attachment K-Appendix to allocate surplus Day-ahead energy Market Transmission Congestion Charges and Financial Transmission Right auction charges that remain at the end of the Planning Period to Auction Revenue Rights holders.

On May 9, 2018, pursuant to Order No. 202-18-3 issued on March 13, 2018, by the Secretary of Energy ("Secretary"), PJM and Dominion submitted a report regarding PJM's dispatch of Yorktown Units 1 and 2 from May 2 through May 5, 2018, including the periods needed to startup and ramp down the units. This report is submitted in accordance with the Secretary's directive that every two weeks PJM and Dominion are to "report all dates between March 13, 2018 and June 11, 2018, on which Yorktown Units 1 and/or 2 are operated, and the associated air emissions and water usage data for those dates."

On May 9, 2018, in Docket No. RM16-6-000, PJM submitted a Motion for Expedited Action, Motion for Leave to Answer and Answer requesting expedited action on PJM's request for clarification of Order No. 842, submitted on March 16, 2018, regarding Primary Frequency Response. PJM's answer is a response to the answer submitted by PJM Power Providers Group and the Electric Power Supply Association and the answer submitted by the PJM Utilities Coalition in response to PJM's request for clarification. PJM is requesting that the Commission provide clarification prior to May 15, 2018.

On May 9, 2018, in Docket No. AD18-7-000, PJM submitted reply comments to provide further information to the Commission to provide context for its approach taken in its March 9, 2018 resilience report comments relative to the approach taken by certain other RTOs and ISOs and to provide clarity around PJM's discussion of changes that should be made to improve gas-electric coordination in order to move toward a more resilient power grid.

On May 11, 2018, in Docket No. ER18-1578-000, PJM submitted revisions to the PJM Tariff, Schedule 12-Appendix A to incorporate cost responsibility assignments for new baseline upgrades included in the recent update to the RTEP approved by the PJM Board of Managers on April 11, 2018. PJM requests the revisions become effective on

August 9, 2018, which is 90 days after the date of this filing to allow a 30-day comment period.

On May 15, 2018, in Docket No. ER18-1629-000, PJM submits revisions to the PJM Tariff to comply with the Commission's Order No. 842 issued on February 15, 2018 to require newly interconnecting large and small generating facilities, both synchronous and non-synchronous, to install, maintain, and operate equipment capable of providing primary frequency response as a condition of interconnection. PJM requested the revisions to become effective October 1, 2018.

On May 16, 2018, in Docket No. ER18-1647-000, PJM submitted proposed revisions to the PJM Operating Agreement, Schedule 6, section 1.5 to clarify the appropriate documentation associated with transmission owner upgrade projects included in the RTEP for purposes of cost allocation, and to further clarify the notification provisions with respect to transmission owner upgrades and the applicable time requirement for acceptance of designation. PJM requested the revisions become effective as of July 16, 2018.

On May 16, 2018, in Docket No. ER18-1644-000, PJM submitted g proposed revisions to the PJM Operating Agreement, Schedule 6, section 1.5 to incorporate additional requirements to maintain pre-qualification status and increase the timeframe by which PJM must notify an entity of its designation of a project in the RTEP for purposes of cost allocation. PJM requested the revisions become effective as of July 16, 2018.

On May 18, 2018, in Docket No. EL17-64-000, et al., PJM, the Energy Storage Association, Renewable Energy Systems Americas and Invenergy Storage Development, LLC (collectively, "Parties") submitted a letter requesting the appointment of a Settlement Judge in these proceedings. The Parties also requested that the Commission postpone the Technical Conference established in these proceedings and similarly postpone the collection of additional information from PJM until settlement judge proceedings have concluded.

On May 18, 2018, in Docket No. RM18-12-000, PJM submitted comments to provide responses to the Commission's March 15, 2018 Notice of Inquiry regarding the effect of the Tax Cuts and Jobs Act of 2017 on Commission-jurisdictional rates, and in particular whether, and if so how, the Commission should address changes relating to accumulated deferred income taxes and bonus depreciation.

On May 21, 2018, PJM submitted an application for a 90-day renewal of DOE Order No. 202-18-3 requesting an order of the Secretary of Energy under Section 202 (c) of the Federal Power Act which provides: (i) that an emergency continues to exist in the North Hampton Roads area of Virginia due to a shortage of electric energy and a shortage of facilities for the generation and transmission of electric energy and that issuance of a renewal Order will meet the emergency and serve the public interest; (ii) from June 11, 2018 to September 10, 2018, Dominion is directed to operate Yorktown Units 1 and 2 as directed by PJM as needed to maintain grid reliability or for other local area

transmission issues; (iii) the limitations on operations ensure, to the maximum extent practicable, consistency with applicable laws and regulations, and the reporting requirements for operations and estimated emissions ensure transparency of implementation; (iv) consistent with the dispatch methodology submitted by PJM on June 27, 2017, good utility practice and the PJM Tariff, PJM and Dominion shall exhaust all reasonably and practically available resources including demand response and identified behind-the-meter generation resources to the extent that such resources address maintenance of grid reliability, prior to operating Yorktown Units 1 and/or 2; (v) Dominion shall continue to follow the dispatch methodology submitted by PJM on June 27, 2017; (vi) every two weeks, PJM and Dominion shall report all dates on which Yorktown Units 1 and/or 2 are operated as well as the estimated emissions and water usage data for those dates; and (vii) in the event that the outage schedule or estimates change from those presented in the renewal application, PJM and/or Dominion shall also provide updated outages schedules and associated Yorktown Units 1 and 2 emission estimates within 2 weeks of such change.

On May 21, 2018, in Docket Nos. AD18-8-000 and EL18-26-000, PJM submitted post-technical conference responses to the issues addressed at the April 3 and 4, 2018 technical conference related to affected system coordination that were raised in (i) the complaint filed by EDF Renewable Energy, Inc. against MISO Southwest Power Pool, Inc. and PJM; and (ii) the Commission's Notice of Proposed Rulemaking regarding the pro forma Large Generator Interconnection Procedures and Large Generator Interconnection Agreement.

On May 23, 2018, PJM and Dominion submitted with the Secretary of Energy ("Secretary") an air emissions report and water usage report regarding PJM's dispatch of Yorktown Unit 1 from May 12 to May 16, 2018 and Unit 2 from May 10 to May 17, 2018, including the periods needed to startup and ramp down the units. This report also includes emission and water data from a Unit 2 test run May 21, 2018. This report is submitted pursuant to Order No. 202-18-3 issued on March 13, 2018 by the Secretary directing PJM and Dominion to "report all dates between March 13, 2018 and June 11, 2018, on which Yorktown Units 1 and/or 2 are operated, and the associated air emissions and water usage data for those dates" every two weeks.

On May 31, 2018, in Docket No. ER18-137-003, PJM submitted a filing to revise the effective date of December 31, 9998 requested in its January 28, 2018 filing to an effective date of August 1, 2018. MISO and PJM filed on October 27, 2018 proposed amendments to their PJM-MISO JOA to remove overlapping congestion charges on pseudo-tied generation resources between the two RTOs. On December 28, 2017, the Commission issued a deficiency letter in the proceeding and sought additional information. On January 29, 2018, the RTOs submitted responses to the Commission's questions.

On May 31, 2018, in Docket No. EL18-145-000, PJM submitted an answer to the May 11, 2018 complaint filed by Tilton Energy LLC objecting to PJM's determination that

Tilton's Pseudo-Tie does not satisfy the new Tariff requirements for external Generation Capacity Resources to participate in RPM Auctions.

On June 1, 2018, in Docket No. ER18-1730-000, PJM submitted proposed revisions to the PJM Tariff and the PJM Operating Agreement to: (1) provide market participants with a new transaction type to hedge exposure to financial risk for pseudo-ties from PJM into MISO; and (2) charge or credit pseudo-tie transactions from MISO to the PJM-MISO interface for real-time deviations from day-ahead schedules for congestion resulting from market-to-market coordination pursuant to the Commission-approved PJM-MISO JOA. PJM requested an effective date of August 1, 2018.

On June 4, 2018, in Docket No. EL18-150-000, PJM submitted an answer to the May 15, 2018 complaint of Monterey MA, LLC (Monterey). The complaint targets two "pricing revision events" from 2016, involving corrections and/or updates by PJM to Locational Marginal Prices and seeks monetary remuneration as well as Commission-directed tariff and process changes based on financial losses allegedly sustained by Monterey as a result of the price revisions. In the Answer, PJM urges the Commission to deny the complaint because PJM fully complied with all applicable requirements contained within Tariff, Attachment K-Appendix and Energy Market Manual 11.

On June 6, 2018, PJM and Dominion submitted a report pursuant to Order No. 202-18-3 (the "Order") issued March 13, 2018 by the Secretary of Energy ("Secretary") regarding PJM's dispatch and Dominion's operations of Yorktown Units 1 and 2 from May 22 through June 4, 2018, including the periods needed to startup and ramp down the units. In the Order, the Secretary directed PJM and Dominion to "report all dates on which Yorktown Unites 1 and 2 are operated as well as the estimated emissions and water usage data associated with their operations."

On June 6, 2018, in Docket No. EL05-121-009, PJM submitted a Motion for Extension of Time and Request for a Shortened Comment Period to the Commission's May 31, 2018 Order on Contested Settlement to request the Commission afford PJM an additional thirty (30) days in order to provide for sufficient time to (i) perform and complete the analyses and calculations, (ii) revise the tariff records, and (iii) prepare the compliance filing.

On June 6, 2018, PJM filed comments to the complaint filed by Public Service Electric and Gas Company ("PSE&G") on May 3, 2018, against Consolidated Edison Company of New York, Inc. ("ConEd") in docket No. EL18-143-000. In the complaint, PSE&G alleges that ConEd is preventing PSE&G from removing dielectric fluid from electric transmission facilities known as the B and C lines, co-owned with ConEd and good utility practice requires the removal of the dielectric fluid and retirement of the B and C lines as currently constructed. The B and C lines are high-voltage electric transmission facilities that establish one of the interconnections between PSEG's transmission system in northern NJ under PJM's operational control and ConEd's system in NY. In the comments, PJM states that PJM analyzed the retirement of the B and C lines and determined that, as to the PJM Transmission System, there is no reliability criteria

violation associated with retiring the B and C lines, even under peak summer conditions. Also, while PJM has not established any formal resilience criteria, the B and C lines may enhance the resilience of neighboring transmission systems or the interregional area. If there are such resilience benefits and it is determined to be advantageous to maintain or replace these tie lines, there should be equitable cost sharing to repair, build, and maintain these facilities.

On June 7, 2018, in Docket Nos. ER18-988-000 and EL14-48-000, PJM submitted a request for rehearing and clarification of the Commission's May 8, 2018 Order ("May 8 Order") Rejecting Tariff Revisions and Terminating Section 206 Proceeding. PJM is seeking rehearing of the May 8 Order on the ground that the Commission unlawfully terminated the pending Section 206 proceeding without substantial evidence. In addition, PJM is seeking clarification of the May 8 Order to (1) ensure that PJM is not precluded from making a new filing under section 205 of the FPA that address remaining concerns related to Sell Offers in RPM that have little or no reasonable expectation of physical delivery; and (2) obtain guidance from the Commission on the remaining aspect of PJM's March 9, 2018 filing and/or alternative methods designed to deter Sell Offers that have no reasonable expectation of physical delivery to inform any such future filing.

On June 8, 2018, in Docket No. ER18-614-002, PJM submitted an Answer to Comments filed on behalf of the PJM Transmission Owners and New Jersey Board of Public Utilities responding to PJM's written answers to the questions raised by the Commission in its April 3, 2018 Deficiency Notice and Request for Information regarding PJM's revisions to Tariff, Schedule 12-Appendix A that did not include cost allocations to Linden VFT, LLC and Hudson Transmission Partners, LLC for new Targeted Market Efficiency Projects and providing further information, including affidavit, to further support the continuing need for baseline upgrades b2955 and b2956.