

MC Legal Report
Summary of Significant Filings, Legal Activity and
Federal Energy Regulatory Commission (Commission) and Court Orders
(February 14, 2024 – March 11, 2024)

ORDERS

On March 1, 2024, in Docket Nos. EL23-45-000, and EL23-50-000 FERC issued an Order Denying Complaints (Order). The Order denies two similar complaints alleging that PJM violated the Operating Agreement, Tariff, and FERC Order No. 2000 and 719, by not permitting the WV PSC and the IMM to attend PJM's Liaison Committee meetings.

On February 26, 2024, in Docket No. ER24-1242-000, the Commission issued an order granting PJM's request for prospective waiver and expedited Commission action to delay the Base Residual Auction associated with the 2025/2026 Delivery Year by 35 days, along with a delay of the associated pre-auction deadlines.

On February 20, 2024, the Commission issued a letter order accepting the filing PJM submitted in Docket No. ER24-853-000, PJM on behalf of Duke Energy Ohio, Inc. (DEO) and Duke Energy Kentucky, Inc. (together, DEOK) of revisions to the PJM Tariff, Attachment H-22A regarding depreciation rates for DEO for use in DEOK's filed transmission formula rate in Appendix D. DEOK's requested revisions will become effective as of October 15, 2023.

FILINGS

On March 8, 2024, in Docket No. ER24-462-001, PJM submitted a motion for leave to answer and answer in response to the requests for rehearing of the Commission's January 19, 2024 order that accepted PJM's proposed Tariff revisions to separate ComEd into its own Cost of New Entry area to address the asset life of a Reference Resource given the Illinois Climate and Equitable Jobs Act.

On March 7, 2024, in Docket No. ER24-1037-000, PJM submitted a motion for leave to answer and limited answer to explain that PJM does not object to the methodology proposed in Dominion's February 28, 2024 Answer and would be able to implement this proposed solution in advance of the upcoming 2025/2026 Base Residual Auction as long as the Commission issues its order by May 10, 2024, explicitly authorizing PJM to allocate the forecasted load growth back to Dominion's Fixed Resource Requirement in its ruling on Dominion's waiver request.

On March 7, 2024, in Docket No. ER24-98-002, PJM submitted a limited request for rehearing and/or clarification of the Commission's February 6, 2024 order regarding PJM's proposal to calculate a unit-specific market seller offer cap.

On March 1, 2024, in the Black Start Service Capital Recovery Factor rate Order to Show Cause Proceeding, Docket No. EL21-91-003, PJM filed Reply Comments on the Offer of Settlement ("Settlement") in response to the comments in opposition to the settlement of the PJM IMM, Monitoring Analytics, LLC. The Reply comment state that because the IMM fails to raise a genuine issue of material fact with respect to the Settlement, the Presiding Judge should certify the Settlement to FERC, and that FERC should approve the Settlement pursuant to Trailblazer as consistent with the public interest.

On February 29, 2024, in Docket Nos. ER24-994-000, ER24-995-000 and ER24-1001-000, PJM submitted an answer to the February 14, 2024 protest filed by Welcome Solar, LLC, Welcome Solar II, LLC, and Welcome Solar III, LLC (Welcome Solar) in response to PJM's filing of notices of cancellation of three Interconnection Service Agreements (Welcome Solar ISAs). PJM argued that Welcome Solar failed to meet certain milestones set forth in the Welcome Solar ISAs, that cancellation of the ISAs is proper and in conformance with the Welcome Solar ISAs and the PJM Tariff, and that the Commission should accept the notices of cancellation.

On February 28, 2024, in Docket No. EL24-73-000, PJM submitted an answer to Welcome Solar, LLC, Welcome Solar II, LLC, and Welcome Solar III, LLC's ("Welcome Solar) complaint in response to PJM's filing of notices of cancellation of three Interconnection Service Agreements. PJM argued that Welcome Solar has not shown any violation of Federal Power Act or the PJM Tariff by the filing of the notices of cancellation, and the complaint should therefore be denied.

On February 28, 2024, in Docket No. ER24-843-000, PJM submitted a motion for leave to answer and answer in response to filings submitted in response to PJM's January 2024 Regional Transmission Expansion Project (RTEP) Filing revising the Tariff, Schedule 12 - Appendix A and Appendix C to incorporate cost assignments for the baseline upgrades in the update to the RTEP approved by the PJM Board of Managers on December 11, 2023.

On February 23, 2024, in Docket No. EL24-64-000, PJM submitted its answer to the Lackawanna Stability Limits Complaint against PJM, whereby Lackawanna Energy Center LLC is requesting that PJM pay it Lost Opportunity Cost for reducing its output to honor stability limits caused by a transmission outage in the summer of 2023.

On February 23, 2024, PJM filed comments regarding the Commission's notice of proposed rulemaking on revisions to the filing process and data collection for the Electric Quarterly Report.

On February 14, 2024, in Docket No. EL24-73-000, Welcome Solar, LLC, Welcome Solar II, LLC, and Welcome Solar III, LLC filed a complaint against PJM claiming (i) by submitting three Notices of Cancellations of Interconnection Service Agreements (ISAs) and Interconnection Construction Service Agreements PJM is in violation of the plain language of the ISAs and applicable provisions of the PJM Tariff; (ii) PJM will not agree to revise milestones under the Welcome Solar ISAs that would enable the Facilities to be financed and constructed in as expedited a manner as possible given applicable market conditions in violation of Commission precedent; and (iii) PJM has otherwise acted in an unjust, unreasonable and unduly discriminatory manner by filing the Notices of Cancellation. PJM's response is due by February 28, 2024.

On February 16, 2024, in Docket No. ER24-1268-000, PJM submitted on behalf of The Dayton Power and Light Company d/b/a AES Ohio (AES Ohio) revisions to Attachment H-15A of the PJM Tariff to correct certain non-substantive inconsistencies in AES Ohio's formula rate, such as references, links and clarifying comments. AES Ohio is requesting that the revisions to Attachment H-15A be effective as of April 17, 2024.

On February 16, 2024, in Docket No. ER24-99-002, PJM submitted a compliance filing pursuant to the Commission's January 30, 2024 order accepting certain enhancements to PJM's capacity market related to capacity accreditation and risk modeling. Pursuant to the Commission's order, PJM requested that the additional revisions to the Tariff and RAA be effective as of December 12, 2023.

On February 14, 2024, in Docket Nos. ER22-2110-000 and ER22-2110-001, PJM filed an informational report pursuant to the Commission's November 29, 2022 order accepting PJM's comprehensive reforms to its generation interconnection process involving the transition from a "first-come, first-served" serial approach to a "first-ready, first-served" Cycle approach. Consistent with the November 29, 2022 order, PJM is submitting this informational report to inform the Commission on the processing of New Service Requests under PJM's Transition Period Rules.

On February 14, 2024, in Docket No. ER19-1958-003, PJM filed an informational report to inform the Commission of PJM's interconnection study performance pursuant to the Commission's Order No. 845, Order No. 845-A, and Order No. 845-B and PJM Tariff, Part IV, section 41.6. PJM is submitting this informational report to inform the Commission of PJM's interconnection study performance, and to describe the reasons for exceeding study deadlines and steps PJM is taking to prevent such delays in the future.