## UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

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| PJM Interconnection, L.L.C. | ) | <b>Docket No. ER24-3078-000</b> |
|                             | ) |                                 |

## MOTION FOR LEAVE TO ANSWER AND ANSWER OF PJM INTERCONNECTION, L.L.C.

Pursuant to Rules 212 and 213 of the Federal Energy Regulatory Commission ("Commission" or "FERC") Rules of Practice and Procedure, PJM Interconnection, L.L.C. ("PJM") submits this Motion for Leave to Answer and Answer to the Protest filed by Cherry Valley Solar Project, LLC ("Cherry Valley") in response to PJM's September 19, 2024 filing to cancel the Wholesale Market Participation Agreement ("WMPA") entered into among PJM, Cherry Valley, and Commonwealth Edison Company ("ComEd") (the "Cherry Valley WMPA"). While the Protest attempts to show that the proposed cancellation of the Cherry Valley WMPA is not justified, the fact of the matter is that the two-party Interconnection Agreement ("Interconnection Agreement") between the Wholesale Market Participant and Transmission Owner was terminated. Pursuant to the terms of the Cherry Valley WMPA, which was accepted by the Commission, the WMPA automatically terminates upon the termination of the Interconnection Agreement. Accordingly, PJM acted properly in filing the Notice of Cancellation, and the Commission should accept the Notice of Cancellation to be effective on November 19, 2024.

#### I. MOTION FOR LEAVE TO ANSWER

<sup>1</sup> 18 C.F.R. §§ 385.212, 385.213.

<sup>&</sup>lt;sup>2</sup> PJM Interconnection, L.L.C., Notice of Cancellation of WMPA, SA No. 6114; Queue No. AD1-129, Docket No. ER24-3078-000 (Sept. 19, 2024) ("Notice of Cancellation Filing"). Capitalized terms not defined herein have the meaning set forth in the PJM Open Access Transmission Tariff ("Tariff") or the Cherry Valley WMPA.

While an answer to a protest is not a matter of right under the Commission's regulations,<sup>3</sup> the Commission routinely permits such answers when the answer provides useful and relevant information that will assist the Commission in its decision-making process.<sup>4</sup> This answer satisfies these criteria, and PJM therefore respectfully requests that the Commission accept this pleading.

#### II. THE NOTICE OF CANCELLATION WAS PROPERLY FILED AND JUSTIFIED

Cherry Valley alleges that the Notice of Cancellation is not justified, because it "rests on a flawed assumption that the applicable state-jurisdictional interconnection agreement... was terminated." Cherry Valley states that the Interconnection Agreement was not terminated, and that Cherry Valley filed a Complaint with the Illinois Commerce Commission ("ICC"), "challenging ComEd's impermissible *attempted* termination of the Interconnection Agreement." Despite Cherry Valley's attempt to distance itself from the notion that the Interconnection Agreement was terminated, the fact that the Interconnection Agreement was terminated is not a matter for dispute. In fact, part of Cherry Valley's requested relief in its ICC Complaint is for the ICC to "declare ComEd's *termination* [of the Interconnection Agreement] improper." Evidently, PJM's perception that the Interconnection Agreement was terminated, is shared with both ComEd and Cherry Valley.

As stated in the Notice of Cancellation Filing, section 3.1.4 of the Cherry Valley WMPA, the "WMPA shall automatically terminate upon the termination of the two-party Interconnection Agreement between the Wholesale Market Participant and Transmission Owner." The

<sup>&</sup>lt;sup>3</sup> 8 C.F.R. § 385.213(a)(2).

<sup>&</sup>lt;sup>4</sup> See, e.g., Energy Harbor Corp., 186 FERC ¶ 61,129, at P 38 (2024); Grand River Dam Auth., 186 FERC ¶ 61,045, at P 30, order on reh'g, 187 FERC ¶ 61,211 (2024).

<sup>&</sup>lt;sup>5</sup> See Protest at 1, 5-7.

<sup>&</sup>lt;sup>6</sup> *Id* at 1-2, 5-7.

<sup>&</sup>lt;sup>7</sup> *Id* at Attachment A (emphasis added).

<sup>&</sup>lt;sup>8</sup> See Cherry Valley WMPA, section 3.1.4.

Interconnection Agreement was terminated, thus terminating the Cherry Valley WMPA as well.

Accordingly, PJM acted within its authority in filing the Notice of Cancellation of the Cherry Valley WMPA and PJM's basis for filing the Notice of Cancellation is justified.

# III. THE COMMISSION SHOULD ACCEPT THE NOTICE OF CANCELLATION FILING WITHOUT DEFERENCE TO THE ICC

As an alternative to rejecting the Notice of Cancellation outright, Cherry Valley requests the Commission to hold this proceeding in abeyance pending the outcome of the ICC Complaint proceeding. Cherry Valley points to the Commission's decision in *DTE Electric Co.*, where the Commission has held a matter in abeyance "in similar circumstances where a Commission ruling has depended in part on the outcome of a state commission proceeding." The issue presented in *DTE Electric Co.*, however was whether a certain interconnection should be considered a local distribution facility, which is not subject to the Commission's jurisdiction. More importantly, the Commission noted it is not bound by the Michigan Commission's determination, but that it is "appropriate to provide deference to state commission recommendations regarding certain transmission/local distribution matters." The Cancellation of the Cherry Valley WMPA is not a matter regarding whether a facility classifies as transmission or local distribution, but a matter of contract.

Section 3.1.4 of the Cherry Valley WMPA, which was accepted by the Commission, provides that the "Wholesale Market Participant must enter into an Interconnection Agreement

<sup>&</sup>lt;sup>9</sup> See Protest at 6-7.

<sup>&</sup>lt;sup>10</sup> Id. at 7 (citing DTE Electric Co. v. Midcontinent Indep. Sys. Operator, Inc., 175 FERC ¶ 61,068, at PP 48-49 (2021)).

In DTE Electric Co., the Commission held the proceeding in abeyance, pending the Michigan Commission's decision as to whether the interconnection should be classified as a local distribution facility. See DTE Electric Co. v. Midcontinent Indep. Sys. Operator, Inc., 175 FERC ¶ 61,068, at PP 48 (2021).

<sup>&</sup>lt;sup>12</sup> *Id*.

with the Transmission Owner in order to effectuate the WMPA."<sup>13</sup> Regardless of the ICC proceeding, seeking to reverse the **termination** of the Interconnection Agreement, PJM is bound to the Federal Tariff and not the ICC. The Interconnection Agreement between Cherry Valley and ComEd was terminated, and the WMPA cannot operate without an effective Interconnection Agreement. Accordingly, the Notice of Cancellation Filing should be accepted without deference to the outcome of the ICC proceeding.

#### IV. CONCLUSION

For the reasons stated above and in the Notice of Cancellation Filing, the Commission should reject the relief sought in Cherry Valley's Protest, accept PJM's Notice of Cancellation Filing, and terminate the Cherry Valley WMPA effective November 19, 2024.

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 $<sup>^{13}</sup>$  See Cherry Valley WMPA, section 3.1.4.

### **CERTIFICATE OF SERVICE**

I hereby certify that this day I caused to be served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Audubon, PA this 25<sup>th</sup> day of October, 2024.

/s/ Salvia Yi

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