

LEADING THE CHANGING MARKETPLACE

The PJM Power Providers Group (P3) believes that well-functioning competitive wholesale electricity markets are the most effective means of ensuring a reliable supply of low-cost power to the 13 Mid-Atlantic and Midwestern states and the District of Columbia in the PJM service territory. P3 has provided expert testimony, advocated market reforms in PJM at the state and federal levels and championed the benefits of competitive markets throughout the PJM footprint. A sampling of P3 advocacy includes the following:



P3 Engagement at the Federal Energy Regulatory Commission (FERC) and PJM in 2023

P3 Filed Comments at FERC Regarding Modernizing Wholesale Electricity Market Design - January 18, 2023 (AD21-10-000) P3 filed its fourth set of comments in this docket. Specifically in these comments, P3 responded to PJM's Report, and highlighted the various concerns in the current PJM market design and FERC's decisions. P3 urged the Commission and PJM to answer the call for the sake of reliability, affordability and sustainability. [MORE](#)

P3 Filed Protest at FERC Opposing PJM Proposal to Amend Tariff During Auction - January 20, 2023 (ER23-729-000 and EL23-19-000) P3 opposed PJM's proposal to alter tariff revisions during the conduct of an auction to address issues in the DPL South LDA. P3's filing featured expert affidavits from Dr. Roy Shanker and former FERC Chairman Kelliher. FERC ultimately accepted PJM's proposal and P3 filed for rehearing and eventually prevailed on appeal before the 3rd Circuit. [MORE](#)

P3 Filed Answer at FERC Responding to PJM and IMM - February 9, 2023 (ER23-729-000 and EL23-19-000) P3 further responded to PJM's call to change its rules related to DPL South during the BRA. [MORE](#)

P3 Filed Comments at FERC Regarding PJM's Revisions to Billing of Non-Performance Charges Regarding Winter Storm Elliott - February 23, 2023 (ER23-1038-000) P3 filed comments supporting PJM's revisions to its billing of Capacity Market Non-Performance Charges. P3 specifically agreed to PJM's revisions to the billing changes as they relate to Winter Storm Elliott but noted permanent changes should be discussed in the stakeholder process. FERC eventually accepted PJM's proposal. [MORE](#)

P3 Filed Comments at FERC Supporting PJM's Proposed Tariff Revisions For CIRs for ELCC Resources - March 1, 2023 (ER23-1067-000) P3 filed Comments at FERC Supporting PJM's proposed Tariff revisions regarding Capacity Interconnection Rights ("CIRs") for Effective Load Carrying Capability ("ELCC") resources. In part, P3 noted that PJM's proposed revisions represented a long overdue, yet appropriate, response to a long-standing process of allowing certain resources to receive capacity rewards over their transmission rights. On April 6, FERC accepted PJM's proposal in a 3-1 vote (Clement dissenting). [MORE](#)

P3 Submitted a Letter to the PJM Board – March 7, 2023. The P3 letter detailed the organization's concerns related to the PJM capacity market and offering suggestions for policy revisions to restore vitality to the PJM capacity construct. [MORE](#)

P3 joined EPSA and NEPGA on Rehearing Request at FERC on Cost Recovery Concerns of New Cold Weather Standards - March 20, 2023 (RD23-1-001) P3 joined EPSA and NEPGA in a request for rehearing of FERC's dismissal of all three groups' comments that some cost recovery mechanism needs to be in place to address costs imposed by new NERC standards on extreme cold weather preparedness and operations. In FERC's February 16th order, approving the standards, the Commission dismissed the generators' cost recovery concerns by simply stating the issue is outside the scope of this proceeding. This short dismissal is a breach of the Commission's duty to ensure that reliability standards are just and reasonable and thwarts reasoned decision-making by failing to respond to, or engage with, the serious objections raised by the power supplier organizations. [MORE](#)

P3 Filed Comments at FERC Supporting PJM's Motion for Establishment of Settlement Judge Procedures Related to Winter Storm Elliott Complaints - April 24, 2023 (EL23-53-000, EL23-54-000, EL23-55-000, EL23-56-000, EL23-57-000, EL23-58-000, EL23-59-000, EL23-60-000, EL23-61-000) P3 filed comments supporting PJM's Motion for Establishment of Settlement Judge Procedures related to the multiple Winter Storm Elliott Complaints. PJM requested that the Commission establish a global settlement proceeding to address all the complaint proceedings and for any similar complaints that may be filed by the time the Commission acted on the PJM motion. P3 supported PJM's motion and urged the Commission to approve it provided that any settlement applies equally to any similarly situated market participants, complainants and intervenors. [MORE](#)
FERC commenced the settlement process on June 26th and a settlement was eventually accepted by FERC on December 19, 2023.

P3 Filed Comments at FERC Supporting PJM's PAI Trigger Revisions - June 9, 2023 (ER23-1996-000) P3's Comments supported PJM's Tariff revisions in order to provide a tighter definition in order to define when PJM should issue a Performance Assessment Interval ("PAI") to ensure that an Emergency Action is better synchronized with instances where capacity shortage emergency conditions exist. P3 also supported PJM's request for a Commission order in this regard by July 14, 2023. [MORE](#)

FERC PJM Capacity Market Forum - June 15, 2023 (AD23-7) On behalf of P3, Glen Thomas participated in the forum on the panel discussion on possible areas for capacity market reform. Among other things, Mr. Thomas pointed to the need for offer cap changes and proper accreditation. P3 filed post-technical conference comments regarding capacity market reforms. P3 offered FERC a path forward with specific suggestions. [MORE](#)

P3 Filed Comments on PJM's Capacity Market Reform Filings - November 9, 2023 (ER24-98-000 and ER24-99-000). PJM submitted two filings to the Commission addressing a broad array of capacity market reforms including accreditation, offer caps, loss limits and performance testing, following the submission of voluminous comments from stakeholders. P3 filed Comments and a Protest only of the severable section on performance payment eligibility in Docket ER24-98-000, and Comments in Docket ER24-99-000. [MORE](#)

P3 Files Comments at FERC Supporting PJM's Proposal to Create a New CONE Area 5 in Response to Illinois' CEJA Law - December 19, 2023 (ER24-462). P3 filed Comments supporting, in part, PJM's finding that continued assumption of a 20-year economic life for purposes of the CONE calculation in the ComEd region will not accurately represent the CONE of a Reference Resource in the region going forward, given that any natural combined cycle Reference Resource would retire by 2045 in Illinois due the infeasibility of meeting Illinois' zero emission standard. PJM's newly-proposed CONE Area 5 for ComEd will therefore have its own Reference Resource that reflects the reality of a shortened economic life for these units as opposed to others in the broader PJM Region. [MORE](#)

P3 Engagement in the States

- **On May 15, 2023, P3 President Glen Thomas testified before the Pennsylvania Senate Environmental Resources and Energy Committee discussing PJM and FERC decisions that have led to compromised reliability in the PJM footprint.** [MORE](#)
- **On Jun 16, 2023, P3 President Glen Thomas testified before the Pennsylvania House Republican Policy Committee on grid reliability. PJM testified at the meeting as well.** [MORE](#)
- **On July 6, 2023, P3 filed Comments at the New Jersey Board of Public Utilities regarding ZECs.** P3 provided the Board with information from the PJM IMM regarding forward unit surplus earnings from 2019 to 2022 showing the nuclear units do not need to receive ZEC payments. P3 also reminded the Board that the nuclear units will shortly be eligible for federal tax credits from the Inflation Reduction Act. [MORE](#)
- **On October 23, 2023, P3 filed comments at the Pennsylvania Public Utility Commission regarding the ability of utility companies to own and operate storage facilities.** P3 argued that utilities should only be allowed to rate based electricity-storage assets that are small in scale and narrowly tailored to address distribution level reliability concerns. [MORE](#)

- On November 2, 2023, state legislators from Pennsylvania and Ohio held a “first of its kind” respective energy legislative hearing, spearheaded by PA Senator Gene Yaw, Chairman of the PA Senate Environmental Resource and Energy Committee and Ohio Rep. Dick Stein, Chairman of the Ohio House of Representatives Public Utilities Committee, regarding reliability issues and the effects of IL’s CEJA law. P3 President Glen Thomas was one of the participants on the panel. [MORE](#)

P3 Engagement in the U.S. Court of Appeals

MOPR Appeal – Third Circuit

- On November 5, 2021, P3 filed a Petition for Review in the U.S. Court of Appeals for the Third Circuit petitioning the court to overturn FERC’s approval of PJM’s minimum offer-price rule (MOPR), which was a dramatic reversal of long-held precedent on a critical consumer protection against market manipulation. P3’s appeal requested reinstatement of a strong MOPR to ensure the competitiveness of PJM’s capacity market. Other parties in the appeal were Electric Power Supply Association (EPSA), the Pennsylvania Public Utility Commission (PA PUC) and the Public Utilities Commission of Ohio (PUCO). [P3’s Brief](#) On December 1, 2023, the Third Circuit issued a unanimous opinion rejecting the arguments of P3, EPSA, OH and PA.

MSOC Appeal – DC Circuit

- On November 5, 2021, P3 joined with the Electric Power Supply Association (EPSA) and several independent power-producers and filed a Petition for Review in the U.S. Court of Appeals for the D.C. Circuit on PJM’s market-seller offer cap (MSOC). The petition demanded reinstatement of market rules that recognize a competitive offer in the capacity market must include the costs and risks of accepting a capacity auction. Oral argument took place on November 8, 2022. On August 15, 2023, the U.S. Court of Appeals for the D.C. Circuit denied the petitions for review of FERC’s MSOC order. P3 did not submit a petition for certiorari.

Operating Reserve Demand Curve (ORDC) Appeal – Sixth Circuit

- On March 10, 2022, P3 filed a Petition for Review in the U.S. Court of Appeals for the Third Circuit, of FERC’s December 22, 2021, decision to reverse a prior commission order implementing an operating reserve demand curve (ORDC) in PJM. On February 23, 2023, in the U.S. Court of Appeals for the Sixth Circuit, P3, along with EPSA, filed its opening petitioners’ brief of appeal. [P3 and EPSA’s Opening Petitioner Brief](#) [P3 and EPSA’s Reply Brief](#) On December 21, 2023, the Sixth Circuit issued an opinion and determined that then FERC Chairman Glick exceeded his authority as Chairman by unilaterally seeking a voluntary remand without the consultation with his other commissioners. The Court, however, did not undo the underlying order so PJM remains without an ORDC.

DPL South BRA Re-run – Third Circuit

- On April 24, 2023, P3 filed a Petition for Review in the U.S. Court of Appeals for the Third Circuit, of FERC's February 21, 2023, decision accepting PJM's filing to re-run the December 2022 BRA. On July 27, 2023, FERC issued an Order denying rehearing with a lengthy dissent issued by Commissioner Danly. On September 5, 2023, P3 filed a new Petition for Review based on FERC's rehearing order.

P3 is a non-profit organization that supports the development of properly designed and well-functioning markets in the PJM region. PJM is a regional transmission organization that manages the supply and movement of power in 13 states and the District of Columbia. Combined, P3 members own over 83,000 megawatts of generation assets and produce enough power to supply over 63 million homes in the 13-state PJM region and the District of Columbia

P3 members include: [Advanced Power](#), [Caithness Energy, L.L.C.](#); [Calpine Corporation](#); [Cogentrix](#); [Competitive Power Ventures](#); [Earthrise Energy, LLC](#); [Indeck Niles, LLC](#), [J-POWER USA Development Co., Ltd](#), [JERA Americas](#), [LS Power Development LLC](#); [Lotus Infrastructure Partners](#); [Middle River Power](#); [NRG Energy](#); Parkway Generation LLC; Red Oak Power; [Rockland Capital](#); [Talen Energy](#); [Tenaska, Inc.](#); [Tyr Energy](#) and [Vistra Energy](#).