

**UNITED STATES OF AMERICA
BEFORE
THE FEDERAL ENERGY REGULATORY COMMISSION**

Calpine Corporation, Dynegy Inc., Eastern)
Generation, LLC, Homer City Generation,)
L.P., NRG Power Marketing LLC, GenOn)
Energy Management, LLC, Carroll County)
Energy LLC, C.P. Crane LLC, Essential)
Power, LLC, Essential Power OPP, LLC,)
Essential Power Rock Springs, LLC,)
Lakewood Cogeneration, L.P., GDF SUEZ)
Energy Marketing NA, Inc., Oregon Clean)
Energy, LLC and Panda Power Generation)
Infrastructure Fund, LLC)

Docket No. EL16-49-00

v.

PJM Interconnection, L.L.C.)
)
PJM Interconnection, L.L.C.)
)
PJM Interconnection, L.L.C.)
)

Docket No. ER18-1314-003

Docket No. EL18-178
(Consolidated)

**ANSWER OF THE PJM POWER PROVIDERS GROUP AND
THE ELECTRIC POWER SUPPLY ASSOCIATION TO THE
MOTION OF THE PUBLIC UTILITIES COMMISSION OF OHIO**

Pursuant to Rule 213(d)(1)(i) of Practice and Procedure of the Federal Energy Regulatory Commission (“FERC” or “Commission”),¹ the PJM Power Providers Group (“P3”)² and the

¹ 18 C.F.R. § 385.213(d)(1)(i) (2019).

² P3 is a non-profit organization that supports the development of properly designed and well-functioning markets in the PJM region. Combined, P3 members own approximately 67,000 megawatts of generation assets, produce enough power to supply over 50 million homes in the PJM region covering 13 states and the District of Columbia. For more information on P3, visit www.p3powergroup.com. The comments contained in this filing represent the position of P3 as an organization, but not necessarily the views of any particular member with respect to any issue.

Electric Power Supply Association (“EPSA”)³ (jointly, “P3/EPSA”) respectfully file this answer to the motion of the Public Utilities Commission of Ohio (“PUCO”) to extend the comment due date on PJM Interconnection, L.L.C.’s (“PJM”) March 18, 2020, compliance filing (“PJM Compliance Filing”) until June 1, 2020.⁴ P3/EPSA request that the Commission reject this request. Specifically, P3/EPSA seek to maintain the current comment period of April 22, 2020, established by the Commission in this proceeding.⁵

I. Background

PJM’s Compliance Filing addressed the Commission’s December 19, 2019 Order Establishing a Just and Reasonable Rate of the Commission in the above referenced proceedings⁶ by submitting revisions to the PJM Open Access Transmission Tariff (“Tariff”) to modify the application of the Minimum Offer Price Rule (“MOPR”) to address State Subsidies and their impact in the PJM capacity market, known as the Reliability Pricing Model (“RPM”). In part, PJM’s Compliance Filing addresses the December 19 Order’s compliance directives by incorporating the modified MOPR design elements into the capacity market rules, and by

³ EPSA is the national trade association representing competitive power suppliers in the U.S. EPSA members provide reliable and competitively priced electricity from environmentally responsible facilities using a diverse mix of fuels and technologies. EPSA seeks to bring the benefits of competition to all power customers. This pleading represents the position of EPSA as an organization, but not necessarily the views of any particular member with respect to any issue.

⁴ *Compliance Filing Concerning The Minimum Offer Price Rule, Request For Waiver of RPM Auction Deadlines, And Request For An Extended Comment Period Of At Least 35 Days* of the PJM Interconnection, L.L.C., EL16-49-000; ER18-1314-003; EL18-178 (“PJM Compliance Filing”).

⁵ Although P3/EPSA believe that the Commission should not alter the current April 22 comment date, if the Commission allows an additional extension of time for comments, the Commission should set a date no later than May 1, 2020, for comments to PJM’s Compliance Filing consistent with the directives of the March 19 notice in Docket AD20-11-000.

⁶ *Calpine Corp. v. PJM Interconnection, L.L.C.*, 169 FERC ¶ 61,239 (2019) (“December 19 Order”).

providing a timetable for conducting the Base Residual Auction (“BRA”) for the 2022/2023 Delivery Year, as well as the BRAs for the following three Delivery Years.

With regard to the timing of the comment period, PJM requested that the Commission establish a minimum comment period of at least 35 days (i.e., no sooner than April 22, 2020). PJM stated that such an extension was appropriate given the volume of its Compliance Filing as well as “current circumstances.” PJM further stated that this “will afford Market Participants sufficient time to review and comment on the proposed changes, which is necessary given the relative importance to this filing to PJM’s capacity market.”⁷ PJM also proposed to post the specific schedule for the 2022/2023 BRA and subsequent RPM Auctions, as discussed in the Compliance Filing, by the later of June 15, 2020, or 14 days after the order accepting the Compliance Filing.⁸

On March 19, 2020, the Commission issued a Combined Notice of Filings, #1, setting the time for comment on PJM’s Compliance Filing no later than 5 p.m., April 22, 2020.⁹

On March 25, 2020, the PUCO filed a Motion of Extension of Time, requesting that the Commission extend the comment period to “no earlier than June 1, 2020,”¹⁰ in recognition of certain extenuating circumstances, including a recent “Stay at Home” order issued by Ohio Governor Mike DeWine.¹¹

⁷ PJM Compliance Filing, p. 2.

⁸ *Id.*, p. 86.

⁹ On March 25, 2020, the Commission issued a Combined Notice of Filings, #1, setting the comment date for PJM’s *Errata* to its Compliance Filing, filed on March 25, 2020, as no later than 5 p.m. on April 15, 2020.

¹⁰ *Motion of The Public Utilities Commission of Ohio For An Extension Of Time*, Docket No. ER16-49-000; ER18-1314-003; ER18-178, Dated March 25, 2020 (“PUCO Motion For Extension”).

¹¹ The PUCO states that on March 22, 2020, under direction from Ohio Governor Mike DeWine, Dr. Amy Acton, Director of the Ohio Department of Health, issued a Stay at Home Order for all Ohioans effective March 23, 2020 until April 6, 2020 to help prevent the further spread of COVID-19. PUCO Motion For Extension, p. 3.

II. Answer

While acknowledging the difficulty of the present circumstances created by the Covid-19 outbreak, P3/EPISA respectfully request that the Commission maintain its current, already-extended comment period of April 22, 2020 in this proceeding. P3/EPISA are not insensitive to the challenges presented by the current circumstance and appreciate the tremendous work that is being done by public and private interests in order to ensure adequate power supply and availability during these trying times. The work of state public utility commissions throughout the PJM footprint is particularly important in order to preserve the public's safety and their collective efforts should not go unnoticed. Similarly, the importance of maintaining an adequate supply of capacity resources, both now and moving forward, is essential to the public's welfare and, in PJM, capacity auctions are the linchpin of that resource adequacy mandate.

P3/EPISA view the current April 22, 2020, due date for comments as an appropriate compromise given the circumstances. While not referring to the Covid-19 situation specifically, PJM's initial request to extend the usual 21-day comment period was due to the "current circumstances," which on March 18, 2020, was certainly in reference to the outbreak of Covid-19 and the stress and changed circumstances that the pandemic was creating even at that time. Extending the comment period an additional two weeks – to April 22, 2020 – allows for sufficient time for parties to provide comments to PJM's Compliance Filing, while balancing the importance of this proceeding to those interested parties whom have been significantly disadvantaged by the interruptions of PJM's capacity auction. PJM has not conducted a capacity auction since May of 2018 and the lack of market certainty has harmed both consumers and suppliers.¹²

¹² See, Competitive Markets Coalition Letter to FERC Commissioners, PJM Interconnection, LLC, Docket Nos. EL16-49-000, et.al., <https://elibrary.ferc.gov/idmws/common/OpenNat.asp?fileID=15487375>.

PJM's Compliance Filing was the product of an extensive stakeholder process that featured nine meetings over three months. PJM's Compliance Filing was well vetted and entirely consistent with discussions it had with stakeholders through the first part of this year. While disagreements over the underlying order persist, few should have been surprised with anything contained in the Compliance Filing and the question whether PJM complied with the December 19th order is a narrow one.

Moreover, PJM's Compliance Filing clearly contemplates a decision from the Commission prior to June 1. Per its filing, PJM intends to publish a schedule for the next auction no later June 15, 2020 and has specifically proposed a timeline that would allow for the 2019 Base Residual Auction to occur 2020. As PJM indicated in its Compliance Filing, "if the Commission were to issue its order on the compliance filing by mid-May, PJM would conduct the delayed 2019 BRA no later than December of this year."¹³ The Commission should strive to have the auction this year and a delay in the comment due date until June 1, 2020, would foreclose that possibility.

III. Conclusion

While P3/EPSC are extremely empathetic to the reasons for delay put forth by the Public Utilities Commission of Ohio and would normally relish the opportunity to support the request under the current circumstances, approval of the PUCO motion would push the resumption of the capacity auctions into 2021. Only if PJM were willing to condense the time necessary for auction preparation and execution (something P3/EPSC believes it can do), then perhaps the Ohio request could be considered. However, given the urgency on behalf of consumers and suppliers to resume the auctions and PJM's current proposed auction timeline, P3/EPSC urges the commission to stand

¹³ PJM Compliance Filing, p. 85.

firm with the already-extended April 22 comment due date and allow PJM's capacity auctions to resume in 2020.

Respectfully submitted,

On behalf of the PJM Power Providers Group

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March 30, 2020

CERTIFICATE OF SERVICE

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

Dated at Washington, D.C. this 30th day of March, 2020.

On behalf of the PJM Power Providers Group and EPSA

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