

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

<b>LS Power Development, LLC and</b>	)	
<b>Doswell Limited Partnership,</b>	)	
	)	
<b>Complainants,</b>	)	
<b>v.</b>	)	<b>Docket No. EL21-72-000</b>
	)	
<b>PJM Interconnection, L.L.C.,</b>	)	
	)	
<b>Respondent.</b>	)	

**Comments of the PJM Power Providers Group**

On May 7, 2021, LS Power Development, LLC and Doswell Limited Partnership (“Complainants”) filed a complaint against PJM Interconnection, L.L.C. (“PJM”) asking the Federal Energy Regulatory Commission (“FERC” or “Commission”) to issue an order on or before May 17, 2021, finding that PJM violated the Reliability Assurance Agreement among Load Serving Entities in the PJM Region by approving FRR Alternative elections by entities

whose FRR Capacity Plans did not demonstrate the commitment of capacity resources to meet their capacity obligations for the full term of the elections (“Complaint”).<sup>1</sup>

On May 11, 2021, the PJM Power Providers Group (“P3”)<sup>2</sup> filed a doc-less Motion to Intervene. P3 respectively submits these comments,<sup>3</sup> in the above-captioned proceeding, supporting the Complaint.

## **I. COMMENTS**

P3 supports the Complaint and urges the Commission approve it while fashioning relief that does not further delay the 2022/23 Base Residual Auction which is scheduled to commence on May 19, 2021. While it is unfortunate that the opaque nature of the Fixed Resource Requirement (“FRR”) process has prevented a significant tariff violation from being revealed until the eve of a long-delayed capacity auction<sup>4</sup>, FERC nonetheless has a duty to enforce the PJM tariff, and P3 urges the Commission to act expeditiously and in a manner that allows the auction to go forward as currently scheduled.

The PJM Reliability Assurance Agreement (“RAA”) is unambiguously clear that the minimum initial FRR election is five years.<sup>5</sup> The RAA language is clear, and PJM has restated

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<sup>1</sup> *Compliant Seeking Emergency Relief and Requests for Shortened Comment Period and Fast Track Processing*, LS Power and Doswell Limited Partnership v. PJM Interconnection, L.L.C., Docket No. EL21-72-000, May 7, 2021 (“Compliant”)

<sup>2</sup> P3 is a non-profit organization dedicated to advancing federal, state and regional policies that promote properly designed and well-functioning electricity markets in the PJM Interconnection, L.L.C. (“PJM”) region. Combined, P3 members own over 67,000 MWs of generation assets and 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](http://www.p3powergroup.com).

<sup>3</sup>The comments contained herein represent the position of P3 as an organization, but not necessarily the views of any particular member with respect to any issue. For more information on P3, visit [www.p3powergroup.com](http://www.p3powergroup.com)

<sup>4</sup> It is worth noting that PJM had notice of Dominion’s FRR election almost four months prior to the filing of this Complaint but elected to keep that information confidential despite no requirement to do so. See, Comments of the Independent Market Monitor for PJM, Docket No. EL21-72-000, May 12, 2021, at p. 4.

<sup>5</sup> “No less than four months before the conduct of the Base Residual Auction for the first Delivery Year for which such election is to be effective, any Party seeking to elect the FRR Alternative shall notify the Office of the

the view on multiple occasions that the initial election is for a five year term.<sup>6</sup> Further the 2006 Commission Order approving the FRR in PJM also clearly states that an LSE can elect the FRR alternative, “if it demonstrates the capacity to satisfy the entire capacity obligation for all load, including load growth, in the applicable Fixed Resource Requirement service area **for the term of the entity’s participation in the Fixed Resource Requirement alternative.**”<sup>7</sup> Read together, there is little doubt that the initial FRR Capacity Plan submitted by the LSE and approved by PJM must be for a term of five years.

Unless PJM can show that an FRR plan for Dominion from the 2022/23 delivery year through the 2026/2027 delivery year was timely submitted, a violation of the RAA has occurred that the Commission must remedy. P3 urges the Commission to take swift action in advance of the auction to avoid further delay to the 2022/23 Base Residual Auction. P3 understands and appreciates the challenges presented by this late election by Dominion and PJM’s failure to properly apply RAA, but it is imperative that the 2022/23 be run consistent with PJM rules and Commission precedent. Failure to do so will seriously undermine confidence in the administration of the PJM markets and create significant uncertainty. Consistent with the core purposes of the filed rate in promoting certainty and preserving the regulator’s authority, market participants need to be able to rely on the terms of tariffs and rate schedules on file with the Commission and to know that, unless waived by the Commission, those tariff and rate schedules will be binding on PJM and market participants alike. Ironically, in the context of tariff requirements considerably less substantive than that at issue, PJM has emphasized the

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Interconnection in writing of such election. **Such election shall be for a minimum term of five consecutive Delivery Years.” (emphasis added) PJM RAA Schedule 8.1 C 1.**

<sup>6</sup> See, <https://pjm.com/-/media/committees-groups/committees/mic/2020/20200108/20200108-item-04c-frr-alternative-education.ashx>. See also, Answer of PJM Interconnection, L.L.C., Docket No. EL21-72-000, May 12, 2021, at p. 2.

<sup>7</sup> December 2006 Order, 117 FERC ¶ 61,331 at P 36 (emphasis added).

importance of “adherence to tariff requirements”<sup>8</sup> and pleaded with the Commission to “help it enforce [such] requirements.”<sup>9</sup>

## II. CONCLUSION

For the foregoing reasons, P3 supports the Complaint filed on May 7, 2021. P3 urges the Commission to grant the emergency relief of the Complaint while fashioning relief that does not further delay the 2022/23 Base Residual Auction which is scheduled to commence on May 19, 2021.

Respectfully submitted,

On behalf of the PJM Power Providers Group

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May 13, 2021

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<sup>8</sup> Protest of PJM Interconnection, L.L.C. to Request for Waiver at 11, Docket No. ER21-1787-000 (filed May 10, 2021).

<sup>9</sup> *Id.* at 3.

**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 13th day of May, 2021.

On behalf of the PJM Power Providers Group

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