UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

PJM INTERCONNECTION, L.L.C

Docket No. ER21-460-000

MOTION FOR LEAVE TO ANSWER, AND ANSWER OF THE PJM POWER PROVIDERS GROUP

Pursuant to Rules 212 and 213 of the Federal Energy Regulatory Commission's ("FERC"

)

or "Commission") Rules of Practice and Procedure,¹ the PJM Power Providers Group ("P3")²

respectfully submits this Motion for Leave to Answer and Answer ("Answer") in response to the

Indiana Municipal Power Agency and Buckeye Power Inc. Joint Protest and Motion to Reject

PJM Interconnection, L.L.C.'s Compliance Filing filed on December 14, 2020 ("IMPA

Protest"),³ and the Comments of American Electric Power Service Corporation filed on

December 14, 2020 ("AEP Comments"),⁴ both filed in response to the PJM Interconnection

L.L.C. ("PJM") compliance filing in the above docket.

¹ 18 C.F.R. §§ 385.212; 385.213 (2020).

² 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.

³ *PJM Interconnection, L.L.C.*, Indiana Municipal Agency's And Buckeye Power Inc.'s Joint Protest of the PJM Interconnection, L.L.C.'s Compliance Filing, Docket Nos. ER21-460-000 and EL20-56-000 (not consolidated), December 14, 2020 ("IMPA Protest").

⁴ *PJM Interconnection, L.L.C.*, Comments of American Electric Power Service Corporation, Docket Nos. ER21-460-000 and EL20-56-000 (not consolidated), December 14, 2020 ("AEP Comments").

I. MOTION FOR LEAVE TO ANSWER

Pursuant to 18 C.F.R. § 385.212 and 18 C.F.R. § 385.213, P3 respectfully submits this Motion for Leave to Answer and Answer to the IMPA Protest and AEP Comments.⁵ On December 4, 2020, pursuant to Rule 214 of the Rules of Practice and Procedure of the Commission, 18 C.F.R. § 385.214 (2018), P3 submitted a doc-less motion to intervene, and thereafter submitted comments⁶ in support of the PJM Filing. P3 respectfully submits this Answer⁷ to explain that arguments raised by the IMPA Protest and AEP Comments do not provide a sufficient basis to reject PJM's proposal. P3 respectfully requests that the Commission accept this Motion for Leave to Answer and Answer in order to help contribute to a fuller record and assist the Commission in its decision-making process.

II. BACKGROUND

As indicated in P3's comments, PJM submitted proposed revisions to the Amended and Restated Operating Agreement of PJM Interconnection, L.L.C. ("Operating Agreement") and the PJM Open Access Transmission Tariff ("Tariff") to comply with the directives in the Federal Energy Regulatory Commission (the "Commission" or "FERC") September 17 Order ("PJM Filing").⁸ The Commission's September 17, 2020 Order granted in part, and denied in part,

⁵ Although the Commission's procedural rules do not provide for answers to comments as a matter of right, the Commission has allowed answers where, as here, the answer provides further explanation or otherwise helps ensure a full and complete record. See, e.g., Empire Pipeline, Inc., 164 FERC ¶ 61,076 P 9 (2018), PJM Interconnection, L.L.C., 104 FERC ¶ 61,154, at P 14 (2003), on reh'g, 109 FERC ¶ 61,236 (2004); Williams Energy Mktg. & Trading Co. v. Southern Co. Servs., Inc., 104 FERC ¶61,141, at P 10 (2003); Ameren Servs. Co., 100 FERC ¶ 61,135, at P 15 (2002), on reh'g, 103 FERC ¶ 61,178 (2003).

⁶ *PJM Interconnection, L.L.C.*, Comments of the PJM Power Providers Group, Docket No. ER21-460-000, December 16, 2020 ("P3 Comments").

⁷ 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.

⁸ PJM Interconnection, L.L.C., Docket No. ER21-460-000, November 23, 2020 ("PJM Filing").

Petition for Declaratory Order and Complaint, and instituted a proceeding under Section 206 of the Federal Power Act, issued in Docket Nos. EL20-30-000 and EL20-56-000.⁹

On October 19, 2020, Lawrenceburg Power, LLC, requested rehearing of the September 17 Commission Order,¹⁰ which currently awaits further Commission consideration pursuant to the November 19, 2020, Commission's denial of rehearing and notice of further consideration.

On November 24, 2020, the Commission issued a Combined Notice of Filings #1 setting December 14, 2020, as the deadline to intervene or protest the filing. On December 4, 2020, pursuant to Rule 214 of the Rules of Practice and Procedure of the Commission, 18 C.F.R. § 385.214 (2018), P3 submitted a doc-less motion to intervene. While P3 submitted comments in support of the PJM Filing, the Indiana Municipal Power Agency and Buckeye Power Inc. jointly filed a protest and motion to reject PJM's compliance filing and AEP filed comments noting that while AEP did not protest PJM's compliance filing, the PJM filing could be less confusing. P3 respectfully submits this answer to respond to the IMPA Answer and AEP Comments.

III. ANSWER

As P3 noted in its comments, although P3 disagrees with the directives set forth by the Commission in the September 17 Order, and P3 filed a protest noting the consequences of the proposed approach to station power,¹¹ P3 is supportive of PJM's Compliance Filing as it appears consistent with the directives ordered by the Commission. P3 in its protest asserted that the

⁹ Ind. Mun. Power Agency v. PJM Interconnection, L.L.C., 172 FERC ¶ 61,243 (2020) ("September 17 Order").

¹⁰ Request for Rehearing of Lawrenceburg Power, L.L.C., Docket Nos. EL20-30-001 and EL20-56-001, October 19, 2020.

¹¹ See Joint Protest of the PJM Power Providers Group and the Electric Power Supply Association to March 6, 2020 Complaint and Petition by the Indiana Municipal Power Agency, et al., Docket No. EL20-30-000, May 1, 2020.

Commission should deny the Complaint and assert exclusive jurisdiction over station power netting pursuant to the PJM Tariff.¹²

Although the IMPA Protest suggests that PJM did not comply with the directives of the FERC September 17 Order, PJM did what FERC asked it to do and PJM's filing meets FERC's directives. Specifically, FERC asked PJM to revise the tariff to show that PJM does not have jurisdiction over retail rates. PJM's proposal does just that, clearly stating that PJM does not have jurisdiction over retail sales. PJM adds a new subsection (iv) to the station power provisions in Operating Agreement, Schedule 1, section 1.7.10(d). Included in the new subsection (iv) is a clarification that PJM "is not responsible for determining Relevant Electric Retail Regulatory Authority-jurisdictional retail rates." ¹³ Also, in compliance with the September 17 Order, PJM expressly clarifies in new subsection (iv) that "the monthly netting provision in section 1.7.10(d)(i) above does not determine whether a retail sale of station power has occurred in a month."¹⁴ The revisions also make clear provisions for recognizing and deferring to any retail service arrangements, and further clarify that the revisions make no changes to the existing provisions that recognized that a market seller can serve itself from its own facilities and not an affiliate's. The IMPA Protest is without merit and should be rejected. Although AEP does not protest PJM's approach, AEP's claims that the filing could be less confusing should be dismissed as the PJM filing is sufficiently clear to provide generators guidance moving forward.

P3 supports the PJM revisions as being consistent with the Commission directives set forth in the September 17 Order and urges the Commission to accept PJM's filing as submitted.

¹² See id at p. 2. P3 was joined in the Protest by the Electric Power Supply Association.

¹³ PJM Filing at p. 4.

¹⁴ Id.

IV. CONCLUSION

For the foregoing reasons, P3 agrees with the proposed revisions set forth by PJM in its November 23, 2020 compliance filing, as they are consistent and in compliance with the Commission's September 17 Order. P3 urges the Commission to accept the PJM filing as submitted with an effective date of September 23, 2020, and reject the IMPA Protest and AEP Comments.

Respectfully submitted,

On behalf of the PJM Power Providers Group

By: Glen Thomas Glen Thomas Diane Slifer GT Power Group 101 Lindenwood Drive, Suite 225 Malvern, PA 19355 gthomas@gtpowergroup.com 610-768-8080

Dated: December 29, 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 29th day of December, 2020.

On behalf of the PJM Power Providers Group

By: <u>Glen Thomas</u> Glen Thomas GT Power Group 101 Lindenwood Drive, Suite 225 Malvern, PA 19355 gthomas@gtpowergroup.com 610-768-8080