

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

PJM Interconnection, L.L.C.)	Docket No. EL19-47-000
)	
)	Docket No. EL19-63-000
)	
)	Docket No. ER21-2877-001

COMMENTS OF THE PJM POWER PROVIDERS GROUP

On October 4, 2021, PJM Interconnection, L.L.C. (“PJM”) submitted a compliance filing¹ (“PJM Filing”) pursuant to the Federal Energy Regulatory Commission (“FERC” or “Commission”) September 2, 2021 Order² (“Order”) in the above referenced proceedings relating to proposed Tariff revisions to the Market Seller Offer Cap (“MSOC”).

On October 4, 2021, the Federal Energy Regulatory Commission (the “Commission” or “FERC”) issued a Combined Notice of Filings #1 setting October 25, 2021, as the deadline for filing an intervention or protest regarding the PJM Filing. On

¹ *PJM Interconnection, L.L.C.*, Docket Nos. EL19-47-000, EL19-63-000, ER21-2877-001 (filed October 4, 2021) (“PJM Filing”).

² *PJM Interconnection, L.L.C., et al.* 176 FERC ¶ 61,137 (2021) (“September 2 Order”).

September 15, 2021, the PJM Power Providers Group (“P3”)³ filed a doc-less Motion to Intervene. P3 respectively submits these comments,⁴ in the above-captioned proceeding.

I. COMMENTS

P3 believes that the September 2, 2021 Order is flawed as a matter of law and policy. P3 along with several other parties have sought rehearing⁵ of the Order and urge the Commission to grant rehearing and allow the many flaws of the Order to be addressed. If left to stand, the Order will create a burdensome and ultimately confiscatory process in which Capacity Sellers will be unable to recover their costs due to the over mitigation that PJM has indicated is likely to occur.

The current process following the September 2, 2021 Order, although not quite clearly defined, requires capacity sellers to provide PJM and the PJM Independent Market Monitor documentation to support any non-zero bids in the PJM capacity market. If the capacity seller and the Market Monitor cannot reach agreement, then the seller must seek an agreement with PJM as to the appropriate offer cap for the capacity auction. At any point during the process, a Capacity Seller has the ability to petition FERC under, Attachment DD 6.4(c), which states, “Nothing in this section precludes the Capacity Market Seller from filing a petition with FERC seeking a determination of whether the Sell Offer complies with the requirements of the Tariff.”⁶

³ 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

⁴The 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

⁵ *PJM Interconnection, L.L.C., et al.*, Docket Nos. EL19-47-000, EL19-63-000, Request for Rehearing, October 4, 2021.

⁶ Attachment DD 6.4(c).

However, and without waiving any rights as it relates to P3's October 4, 2021, Petition for Rehearing, P3 requests an additional clarification to the October 4 Compliance Filing as it specifically relates to Attachment DD 6.4(c). In its Order, the Commission clearly contemplated the ability of suppliers to seek Commission review under Section 205 of the Federal Power Act if "sellers dispute the ultimate determination by PJM."⁷ The Commission reiterated this point in paragraph 69 of the Order in which the Commission offered that, "If sellers are not able to reach an agreement with PJM and the Market Monitor regarding the appropriate level of risk or types of costs to include in Net ACR, sellers may seek Commission action."⁸ The Commission in Footnote 127 expounded upon this point stating that as part of the Commission review, "The seller would have to show that its offer is just and reasonable."⁹

In order to accurately reflect the intention of the Commission and to avoid any future misinterpretations, P3 recommends that language be changed in Attachment DD 6.4(c). The phrase that states: "complies with the requirements of the Tariff" in Attachment DD 6.4(c) is vague and potentially misleading because the standard under Section 205 is whether the seller offer is "just and reasonable." As such, P3 recommends the following clarification to the language in Attachment DD 6.4(c):

(c) If the Capacity Market Seller is unable to reach agreement with the Office of Interconnection and the Market Monitoring Unit under Section 6.4(b), nothing in this section precludes the Capacity Market Seller from filing a petition with FERC seeking a

⁷ September 2 Order at P 66.

⁸ September 2 Order at P 69.

⁹ September 2 Order at fn. 127.

determination of whether the Sell Offer to be submitted in the auction [~~complies with the requirements of the Tariff~~] is just and reasonable under Section 205 of the Federal Power Act.

While not fixing the underlying flaws of the September 2 Order, this important clarification more accurately reflects the Commission's intention and avoids possible future misinterpretations.

II. CONCLUSION

For the foregoing reasons, P3 requests that FERC require PJM to revise Attachment DD 6.4(c) as discussed herein.

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

October 25, 2021

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 25th day of October, 2021.

On behalf of the PJM Power Providers Group

By: Diane Slifer