

MC Legal Report Summary of Significant Filings, Legal Activity and Federal Energy Regulatory Commission (Commission) and Court Orders (December 3, 2022 – January 6, 2023)

ORDERS

On December 24, 2022, the Department of Energy (DOE) issued an emergency order (Emergency Order) pursuant to Section 202 of the Federal Power Act determining that an electric reliability emergency exists within the PJM Region that requires intervention by the Secretary to preserve the reliability of the bulk electric power system. The order was effective December 24, 2022 through 12:00 p.m. Eastern Standard Time on December 26, 2022. The order authorized all electric generating units located within the PJM Region to operate up to their maximum generation output levels under the limited circumstances described in the order, notwithstanding air quality or other permit limitations. To the extent additional generators required inclusion on the list of units limited in their power output due to emissions, effluent, and other limits established by federal environmental permits and state requirements, such units were directed to contact PJM using the Resource Limitations page of the Markets Gateway application and provide to PJM the information for such unit consistent with Exhibit A to this filing. PJM must share that information with the DOE. In compliance with the directive in the DOE Emergency Order PJM includes the name, municipality and zip code of the generation resources subject to this Emergency Order: Calpine Bethlehem – Lehigh County, PA 18015 Calpine York – York County, PA 17314 LS Troy – Wood County, OH 43443

On December 24, 2022, pursuant to paragraph D of the Department of Energy's Order No. 202-22-4, issued on December 24, 2022 (Order), PJM submitted a notice and updates to Attachment A to PJM's application for an emergency order pursuant to Section 202(c) of the Federal Power Act. This update adds to Attachment A additional generation units that PJM deemed necessary to operate in excess of environmental permitting limits in order to maintain the reliability of the power grid in the PJM Region when the demand on the PJM system exceeds expected energy and reserve requirements.

FILINGS

On January 5, 2023, in Docket Nos. ER19-2105-000 and ER19-2105-001, PJM submitted updated Border Yearly Charge (BYC) Workbooks as posted on the PJM Website for rate years 2020, 2021, 2022 and 2023 to reflect modifications to the existing formula rate for calculating the Border Rate as set forth in PJM Open Access Transmission Tariff, Schedule 7, section 11 and accepted by the Commission in its December 2019 Order.

On January 5, 2023, in Docket No. ER23-779-000, PJM submitted proposed revisions to PJM Tariff, Schedule 12-Appendix A and Schedule 12-Appendix C, to incorporate cost responsibility assignments for 65 baseline upgrades in the recent update to the Regional Transmission Expansion Plan approved by the PJM Board of Managers on December 6, 2022, including the State Agreement Approach projects selected by the New Jersey Board of Public Utilities. PJM requested an effective date of April 5, 2023, which is 90 days after the date of this filing, to allow a 30 day comment period.



On January 5, 2023, in Docket No. ER23-775-000, PJM submitted revisions to the State Agreement Approach (SAA) Agreement (Rate Schedule 49) between PJM and the New Jersey Board of Public Utilities (NJ BPU) revising the Agreement to include (i) the project-specific details of the SAA Project selected by the NJ BPU via its order issued on October 26, 2022 and (ii) the FERC-approved cost allocation methodology applicable to the SAA Project. PJM requests an effective date for the revised SAA Agreement of April 15, 2022.

On January 3, 2022, in Docket No. ER23-762-000, PJM on behalf of The Dayton Power and Light Company d/b/a AES Ohio (DPL) filed an Application for CWIP and Abandonment Incentives for Specified Transmission Projects that are planned by PJM or Approved by the Ohio Power Siting Board. DP&L is requesting an effective date of March 5, 2023, if not sooner.

On December, 29 2022, in Docket Nos. ER20-2197-003 and ER20-2198-003 (consolidated), PJM submitted on behalf of Atlantic City Electric Company (ACE) and Delmarva Power & Light Company (DPL) a supplemental compliance filing including revised Tariff Records for the ACE and DPL formula rate templates (PJM Tariff, Attachment H-1A and 3D). ACE and DPL requested an effective date of September 1, 2020.

On December 24, 2022, PJM sent to the Department of Energy (DOE) a request for a finding that an electric reliability emergency exists within the PJM Region that requires intervention by the Secretary, in the form of a Section 202(c) emergency order, to preserve the reliability of the bulk electric power system. PJM respectfully requests that the Secretary issue an order immediately, effective December 24, 2022 and through 12:00 p.m. Eastern Standard Time on December 26, 2022, authorizing all electric generating units located within the PJM Region to operate up to their maximum generation output levels under the limited circumstances described in this letter, notwithstanding air quality or other permit limitations. To the extent additional generators require inclusion on the list of units limited in their power output due to emissions, effluent, and other limits established by federal environmental permits and state requirements, such units must contact PJM and provide to PJM the information for such unit consistent with Exhibit A to this filing. PJM must share such information with the DOE.

On December 23, 2022, in Docket No. RD23-1-000, PJM together with other members of the ISO-RTO Council (IRC) filed a motion for leave to answer and limited answer in response to comments in the proceeding involving the North American Electric Reliability Corporation's (NERC) petition for approval of proposed Winterization Reliability Standards.

On December 23, 2022, PJM Interconnection, L.L.C. and Sunfish Solar LLC submitted in Docket No. EL23-15-000 and ER23-680-000 a joint motion to suspend the periods for answers to, interventions in, comments on, and protests of the Complaint Requesting Fast Track Processing of Sunfish Solar LLC filed in Docket No. EL23-15-000, and on the Petition for Limited Waiver, Motion to Consolidate Proceedings, and Request for Expedited Review of Sunfish Solar LLC filed in Docket No. ER23-680, and for other related relief. The parties also requested expedited treatment of the joint motion and a shortened answer period.

On December 23, 2022, in Docket No. ER23-725-000, PJM filed proposed revisions to the PJM Tariff, the OA, and the RAA to prohibit the participation of Critical Natural Gas Infrastructure from being registered as Demand Resources, Price Responsive Demand, or as Economic Load Response Participants in response



to the November 2021 joint report published by NERC and FERC. PJM requested the revisions be effective February 22, 2023.

On December 23, 2022, in Docket No. EL23-19-000, PJM submitted a complaint that demonstrates the application of the Locational Deliverability Area Reliability Requirement, as applied in certain instances, is unjust and unreasonable. PJM also proposed revisions to update the Tariff provisions related to the Locational Deliverability Area Reliability Requirement under section 206 of the Federal Power Act to allow the reliability requirement to be modified based on actual participation of Planned Generation Capacity Resources in the RPM Auctions. PJM requested an effective date of December 24, 2022, for the Tariff revisions and for an extended comment period of 28 days.

On December 23, 2022, in Docket No. ER23-729-000, PJM submitted proposed revisions to update the Tariff provisions related to the Locational Deliverability Area Reliability Requirement under section 205 of the Federal Power Act to allow the reliability requirement to be modified based on actual participation of Planned Generation Capacity Resources in the RPM Auctions. PJM requested an effective date of December 24, 2022, for the Tariff revisions and for an extended comment period of 28 days.