MC Legal Report Summary of Significant Filings, Legal Activity and Federal Energy Regulatory Commission (Commission) and Court Orders (October 11, 2024 – November 10, 2024)

ORDERS

On November 8, 2024, in Docket No. ER25-118-000, the Commission issued an order granting PJM's request for waiver of various sections of the PJM Tariff to allow for a further delay of the capacity auctions by approximately six months through the 2029/2030 Delivery Year. In granting the waiver request, the Commission dismissed a similar motion in Docket No. EL24-148-000 to delay the 2026/2027 Base Residual Auction as moot.

On November 5, 2024, in Docket No. ER24-2995-000, the Commission accepted PJM's proposal to sunset energy efficiency from participating in the capacity market beginning with the Base Residual Auction associated with the 2026/2027 Delivery Year, effective November 6, 2024.

On November 1, 2024, in Docket Nos. ER24-2172-000 and ER24-2172-001, the Commission issued an order rejecting the Third Amended Co-Located Load Susquehanna Interconnection Service Agreement, SA No. 1442 associated with PJM's Queue No. NQ-123 among PJM, Susquehanna Nuclear, LLC and PPL Electric Utilities Corp.

On October 31, 2024, in Docket No. EL21-91-003, the Chief Judge issued an Order terminating hearing procedures in the Black Start CRF proceeding because the Presiding Judge certified as uncontested the Settling Parties' August 14, 2024 settlement.

On October 31, 2024, in Docket No. EL21-91-003 the Presiding Judge in the Black Start CRF hearing proceeding issued an Order certifying as uncontested the Settling Parties' August 14, 2024 settlement. The Order also declined to certify Monitoring Analytics' contested September 20, 2024 settlement.

On October 25, 2024, in Docket No. ER24-2905-000, the Commission issued an Order accepting PJM's filing proposing changes to the schedule selection process for resources in the Day-ahead and Real-time energy markets to accommodate the Next Generation Markets project enhancements to the market clearing engine. The Commission directed PJM to make an informational filing notifying the Commission of the actual effective date of the proposed Tariff and Operating Agreement revisions no less than 30 days prior to the date PJM implements the proposed revisions.

On October 18, 2024, in Docket No. ER24-2885-000, the Commission issued a letter order accepting revisions to the Tariff and Operating Agreement to allow for the partial deployment of Synchronized Reserves. PJM's clean-up revisions become effective on August 6, 2024, as previously accepted, and the new revisions become effective on December 1, 2024.

On October 17, 2024, in Docket No. RM22-2-000, the Commission issued Order No. 904, finding that allowing transmission providers to charge transmission customers for a generating facility's provision of reactive power within the standard power factor range is unjust and unreasonable, and amending the pro forma open-access transmission tariff, the pro forma large generator interconnection agreement, and the pro forma small generator interconnection agreement to prohibit the inclusion in transmission rates of any charges related to the provision of reactive power within the standard power factor range by generating facilities. The Commission directed compliance filings within 120 days of publication of the order in the Federal Register.

FILINGS

On November 8, 2024, in Virginia State Corp. Commission Case No. PUR-2024-00096, PJM submitted comments in support of the Application of Virginia Electric and Power Company, for approval to amend certificates of public convenience and necessity for the Brunswick and Greensville County Power Stations to construct and operate an LNG Storage Facility.

On November 7, 2024, in Docket No. ER21-1635-012, in the Black Start Service Capital Recovery Factor rate proceedings PJM filed a Motion to Place Settlement Rates into Effect on an Interim Basis, Waiver of Answer Period, and Request for Expedited Treatment to place the settlement rates into effect on an interim basis as of December 1, 2024.

On November 7, 2024, in Docket No. ER21-1635-011, PJM submitted an effective date amendment to the clean-up filing for PJM Tariff Schedule 6A to reflect the currently applicable Capital Recovery Factor rate for Black Start Units selected prior to June 6, 2021 in accordance with the Chief Administrative Law Judge's order authorizing interim settlement rates during the pendency of the proposed settlement in Docket No. EL21-91-003, requesting an effective date of June 1, 2024.

On November 7, 2024, in Docket No. ER25-14-000, PJM filed a Motion for Leave to Answer and Answer in response to Vesper Energy Development LLC and Firefly Solar PA LLC October 23, 2024 protest (collectively, Firefly), which in turn was submitted in response to PJM's October 2, 2024 filing to cancel the Interconnection Service Agreement (ISA) entered into among PJM, Firefly, and American Transmission Systems, Incorporated (ATSI) due to Firefly's failure to exit suspension in a timely fashion as required by the related Interconnection Construction Service Agreement (CSA) between the same parties. In the answer, PJM stated that Firefly failed to request that PJM and ATSI recommence the work associated with the facility on a timely basis as required by the CSA, and failed to show that the notice of cancellation filing should be rejected or was otherwise improper.

On November 4, 2024, in Docket No. EL24-135-000, PJM and Freeman Solar LLC (Freeman) filed a joint motion to dismiss and stipulated agreement to withdraw Freeman's August 23, 2024 Complaint. PJM and Freeman request that the Commission accept their stipulated agreement without condition and issue an order dismissing the Complaint with prejudice.

On November 4, 2024, in Docket No. EL24-141-000, PJM and Big Shoulders Storage LLC (Big Shoulders) filed a joint motion to dismiss and stipulated agreement to withdraw Big Shoulders' September 20, 2024 Complaint. PJM and Big Shoulders request that the Commission accept their stipulated agreement without condition and issue an order dismissing the Complaint with prejudice.

On November 4, 2024, in Docket Nos. ER22-957-000 and EL22-26-000 (not consolidated), PJM submitted its eleventh informational update to provide the Commission with the most updated congestion pattern information on the Northern Neck Peninsula.

On November 1, 2024, in Docket No. ER25-332-000, PJM submitted a ministerial clean-up filing to ensure that the Tariff and Operating Agreement correctly reflect language previously accepted by the Commission that would otherwise be overlapped as a result of PJM's informational filing in Docket No. ER23-2484-000 setting an effective date of December 1, 2024 for certain revisions previously accepted by the Commission in September 2023.

On November 1, 2024, in Docket No. ER24-754-001, PJM submitted on behalf of Baltimore Gas and Electric Company an executed, uncontested Settlement Agreement resolving, upon the Commission's approval, all issues in Docket No. ER24-754 and all sub-dockets thereto. Baltimore Gas and Electric Company is requesting that the Settlement Agreement have an effective date of March 1, 2024.

On October 31, 2024, in Docket No. ER23-2484-000, PJM submitted its informational filing to provide notice to the Commission that it is setting December 1, 2024 as the effective date for the implementation of the Hybrids Phase II revisions related to lost opportunity cost accepted by the Commission's September 22, 2023 delegated letter order.

On October 30, 2024, in DC Circuit Court of Appeals Case Nos. 23-1282, et al, PJM submitted a Petitioners' Brief in the Appeal of the Commission's Orders in the Notice of Proposed Rulemaking on Improvements to Generator Interconnection Procedures and Agreements.

On October 29, 2024, in Docket No. ER24-2045-002, PJM submitted a response to FERC's July 31, 2024 letter requesting additional information concerning PJM's May 16, 2024 Docket No. ER24-2045 filing in compliance with Order Nos. 2023 and 2023-A. PJM indicated the October 29, 2024 filing is intended to provide additional explanations and justification for the May 16, 2024 compliance filing.

On October 29, 2024, in Docket No. ER24-2995-000, PJM submitted a motion for leave to answer and limited answer to the October 28, 2024 answer of Affirmed Energy LLC regarding the PJM Board's letter to Representative Casten on the participation of energy efficiency in PJM's capacity market.

On October 29, 2024, in Docket No. EL24-124-000, PJM and Affirmed Energy filed a joint motion to extend the current deadline for answers and comments until November 11, 2024.

On October 29, 2024, in Docket No. ER24-2045-002, PJM submitted a response to the Commission's July 31, 2024 letter requesting additional information concerning PJM's May 16, 2024 Docket No. ER24-2045 filing in compliance with Order Nos. 2023 and 2023-A. PJM indicated the October 29, 2024 filing is intended to provide additional explanations and justification for the May 16, 2024 compliance filing.

On October 25, 2024, in Docket No. ER24-3076-000, PJM filed a Motion for Leave to Answer and Answer in response to Marengo Solar LLC's October 10, 2024 (Marengo Solar) Protest in response to PJM's September 19, 2024 filing to cancel the Wholesale Market Participation Agreement (WMPA) entered into among PJM, Marengo Solar, and Commonwealth Edison Company (Marengo Solar WMPA). While the Protest attempted to show that the proposed cancellation of the Marengo Solar WMPA was not justified, the fact is that the two-party Interconnection Agreement (Interconnection Agreement) between the Wholesale Market Participant and Transmission Owner was terminated. Per the terms of the Marengo Solar WMPA, the Marengo Solar WMPA automatically terminates upon the termination of the Interconnection Agreement. Accordingly, PJM requested the Commission accept the Notice of Cancellation to be effective on November 19, 2024.

On October 25, 2024, in Docket No. ER24-3078-000, PJM filed a Motion for Leave to Answer and Answer in response to Cherry Valley Solar Project, LLC's October 10, 2024 (Cherry Valley Solar) Protest in response to PJM's September 19, 2024 filing to cancel the Wholesale Market Participation Agreement (WMPA) entered into among PJM, Cherry Valley Solar, and Commonwealth Edison Company (Cherry Valley Solar WMPA). While the Protest attempted to show that the proposed cancellation of the Cherry Valley Solar WMPA was not justified, the fact is that the two-party Interconnection Agreement (Interconnection Agreement) between the Wholesale Market Participant and Transmission Owner was terminated. Per the terms of the Cherry Valley Solar WMPA, the Cherry Valley Solar WMPA automatically terminates upon the termination of the Interconnection Agreement. Accordingly, PJM requested the Commission accept the Notice of Cancellation to be effective on November 19, 2024.

On October 24, 2024, in Docket No. EL25-5-000, PJM filed an answer to the complaint filed by Welcome Solar, LLC, Welcome Solar II, LLC, and Welcome Solar III, LLC (collectively, "Welcome Solar"). PJM argued that the complaint should be dismissed, as Welcome Solar has not shown that PJM violated the Federal Power Act ("FPA") or the Tariff in issuing the September 5, 2024 notices of breach referenced in the Complaint.

On October 24, 2024, in Docket Nos. ER25-118-000 and EL24-148-000, PJM submitted a motion for leave to answer and answer to the protests regarding PJM's request to delay the Reliability Pricing Model Auctions associated with the 2026/2027 through 2029/2030 Delivery Year.

On October 23, 2024, in Docket No. EL24-125-000, PJM and EDP Renewables North America LLC submitted a joint motion to: (1) hold the proceeding in continued abeyance for 30 days, until November 22, 2024 updated dates as needed; and (2) grant expedited treatment of the motion.

On October 23, 2024, in Docket No. ER24-2990-000, PJM submitted a motion for leave to answer and answer to protests received regarding PJM's September 2024 Regional Transmission Expansion Project (RTEP) filing revising Tariff, Schedule 12 – Appendix A to incorporate cost responsibility assignments for the baseline upgrades in the update to the RTEP approved by the PJM Board of Managers on August 7, 2024.

On October 23, 2024, in Docket No. ER22-962-007, PJM submitted its filing in compliance with the Commission's July 25, 2024 order in PJM's Order No. 2222 compliance proceeding related to the participation of Distributed Energy Resource (DER) aggregations in PJM markets. PJM also requested an extension of the current effective date for PJM's Order No. 2222 implementation, from February 2, 2026 to February 1, 2028.

On October 21, 2024, in Docket No. ER24-2447-002, PJM submitted a compliance filing pursuant to the September 23, 2024 order of the Commission accepting PJM's proposed revisions to the RAA to more accurately allocate capacity obligations associated with forecasted Load Adjustments. Pursuant to the Commission's directive, PJM requested that the revisions proposed in the compliance filing be effective as of August 31, 2024.

On October 18, 2024, in Docket No. EL24-148-000, PJM filed an answer to the September 27, 2024 complaint filed by Sierra Club, Natural Resources Defense Council, Public Citizen, Sustainable FERC Project, and the Union of Concerned Scientists, asserting that PJM's capacity market rules are unjust and unreasonable for failing to consider the resource adequacy contributions of those generation resources that have provided notice of deactivation but which PJM has asked to temporarily remain in operation for transmission reliability reasons. In this answer, PJM demonstrates that the existing Tariff remains just and reasonable.

On October 18, 2024, in Docket No. ER24-3006-000, PJM and Hummingbird Energy LLC filed a joint motion to continue to hold the proceeding in abeyance until November 8, 2024 and a request for expedited treatment of this motion.

On October 18, 2024, in Docket No. ER25-140-000, PJM submitted on behalf of Atlantic City Electric Company modifications to PJM Tariff, Attachment H-1A to revise its formula rate to conform to accounting changed adopted in Order No. 898. Atlantic City Electric Company is requesting that the changes set forth in proposed PJM Tariff Attachment H-1A, be effective as of January 1, 2025.

On October 18, 2024, in Docket No. ER25-141-000, PJM submitted on behalf of Delmarva Power & Light Company modifications to PJM Tariff, Attachment H-3D to revise its formula rate to conform to accounting changes adopted in Order No. 898. Delmarva Power & Light Company is requesting that the changes set forth in proposed PJM Tariff Attachment H-3D, be effective as of January 1, 2025.

On October 18, 2024, in Docket No. ER25-144-000, PJM submitted on behalf of Potomac Electric Power Company modifications to PJM Tariff, Attachment H-9A to revise its formula rate to conform to accounting changed adopted in Order No. 898. Potomac Electric Power Company is requesting that the changes set forth in proposed PJM Tariff Attachment H-9A, be effective as of January 1, 2025.

On October 18, 2024, in Docket No. ER25-142-000, PJM submitted on behalf of PECO Energy Company modifications to PJM Tariff, Attachment H-7A to revise its formula rate to conform to accounting changed adopted in Order No. 898. PECO Energy Company is requesting that the changes set forth in proposed PJM Tariff Attachment H-7A, be effective as of January 1, 2025.

On October 16, 2024, in Docket No. EL24-18-000, PJM submitted an answer to the October 1, 2024 motion for expedited consideration and action filed by Urban Grid Solar Projects, LLC (Urban Grid). This proceeding involves a complaint filed by Urban Grid alleging that PJM improperly terminated Urban Grid's projects from the queue for failure to meet the deadlines for the provision of security. In its October 16, 2024 answer, PJM stated that nothing in the complaint or Urban Grid's October 1, 2024 motion justified the complaint or the requested relief, and asked the Commission to reject the complaint.

On October 15, 2024, in Docket No. ER25-118-000, PJM submitted a request for waiver to delay the Reliability Pricing Model auctions beginning with the December 2024 Base Residual Action for Delivery Year 2026/2027 through the 2029/2030 Delivery Year. PJM also requested expedited action for the Commission to issue an order by November 8, 2024, and requested a shortened 7-day comment period.

On October 15, 2024, in Docket No. EL24-148-000, PJM submitted a motion to delay the Reliability Pricing Model auctions beginning with the December 2024 Base Residual Action for Delivery Year 2026/2027 through the 2029/2030 Delivery Year. PJM also requested expedited action for the Commission to issue an order by November 8, 2024, and a requested a shortened 7-day comment period.

On October 15, 2024, in Docket No. RM24-6-000, PJM submitted comments regarding the Commission's Advanced Notice of Proposed Rulemaking on implementation of dynamic line ratings.

On October 15, 2024, in Docket No. ER25-96-000, PJM submitted proposed revisions to the Tariff definition of "Principal" for consistency with PJM's enhanced "Know Your Customer" process. PJM requested that the proposed revisions become effective as of December 15, 2024.

On October 11, 2024, in Docket No. ER24-2995-000, PJM submitted an answer to various protests regarding the proposal to sunset the participation of Energy Efficiency in PJM's capacity market beginning with the 2026/2027 Delivery Year.

On October 11, 2024, in DC Circuit Court of Appeals Case No. 24-1092, PJM submitted an intervenor brief in support of the Commission's order denying Energy Harbor's complaint related to Non-Performance Charges stemming from Winter Storm Elliott.