



MC Legal Report  
Summary of Significant Filings, Legal Activity  
and  
Federal Energy Regulatory Commission (Commission) Orders  
(December 3, 2019 – January 5, 2020)

**ORDERS**<sub>[SMJ1]</sub>

On December 30, 2019, in Docket No. ER18-2068-004, the Commission approved the uncontested settlement among PJM and numerous PJM market participants regarding the Commission's denial of PJM's FTR Auction Waiver Request related to the 2018 default of one PJM Member.

On December 30, 2019, in Docket No. ER20-271-000, the Commission issued an order accepting tariff revisions subject to conditions regarding PJM's October 31, 2019 proposed revisions to the PJM Tariff and the RAA to update certain rules and requirements for Price Responsive Demand to conform to the rules and requirements for Capacity Performance Resources. Additionally, the Commission directed PJM to submit a further compliance filing by January 29, 2020. The effective date for the revisions is December 30, 2019.

On December 27, 2019, in Docket No. ER06-78-003, the Commission issued a letter order accepting PJM's October 28, 2019 compliance filing providing the 2020 annual budget of the Organization of PJM States, Inc. as required by PJM Tariff, Schedule 9-OPSI.

On December 26, 2019, in Docket Nos. ER20-224-000 and ER20-225-000, the Commission accepted revisions to the PJM Tariff, Attachment L and CTOA, Attachment A to reflect a correction of a previous name change of CED Rock Springs, LLC to Essential Power Rock Springs, LLC that was inadvertently omitted from PJM Tariff, Attachment L and CTOA, Attachment A. The revisions are effective December 29, 2019, as requested.

On December 19, 2019, in Docket No. ER17-905-002, the Commission issued an order denying the rehearing requests of PSEG and the NJ BPU pertaining to the Commission's October 6, 2019 order in the ConEd Wheel Termination/Operational Base Flow proceeding.

On December 19, 2019, in Docket No. EL19-27-000, the Commission issued an order denying the December 28, 2018 complaint of the Independent Market Monitor (Market Monitor). In the complaint the Market Monitor asked the Commission to direct PJM to find that a Market Seller violated its Fuel Cost Policy and assess a penalty for doing so. In denying the complaint, the Commission found that PJM correctly ruled that the Market Seller complied with its Fuel Cost Policy so no penalty was necessary.

On December 19, 2019, in Docket No. ER19-1958-000, the Commission issued an order on PJM's Order No. 845 Compliance Filing accepting the PJM Tariff revisions relative to (i) option to build; (ii) dispute resolution; (iii) transparency regarding study models and assumptions; (iv) definition of generating facility; (v) interconnection study deadlines; and (vi) interconnection service below generating facility. In addition, the Commission required further compliance on the following reforms: (i) identification and definition of contingent facilities; (ii) provisional interconnection service; (iii) surplus interconnection service; and (iv) material modifications and incorporation of advanced technologies. The Commission accepted the effective date of April 1, 2020, but directed PJM to apply the revisions to all interconnection customers that have not signed a generation interconnection service agreement as of April 1, 2020 regardless of when they entered the interconnection queue.

On December 19, 2019, in Docket Nos. ER19-1501-000 and EL15-95-000, the Commission issued an order granting PJM's and the PJM Transmission Owners' requests for rehearing and rejecting the April 1, 2019 compliance filing to include revisions to PJM Tariff, Schedule 12 to add the Stability Deviation cost allocation methodology, effective April 22, 2016. On rehearing, PJM stated that based on further analysis it determined that the deviation measurement provision may not result in a just and reasonable allocation. The PJM Transmission Owners stated on rehearing that the discretionary threshold is not necessary. In addition to rejecting the April 1, 2019 Compliance Filing, the Commission directed the PJM Transmission Owners to make a compliance with the stability deviation method as originally submitted (sans the deviation measurement provisions and the discretionary threshold). The compliance filing is due within 30 days of the date of the order, January 20, 2020.

On December 19, 2019, in Docket No. ER18-2102-000 and -001, the Commission issued an order denying Linden VFT's Request for Clarification and Rehearing and accepting PJM's compliance filing consistent with the Commission's May 31, 2018 Order on Contested Settlement approving the Settling Parties Settlement Agreement and Offer of Settlement (Settlement), which resolved outstanding cost allocation issues relative to Regional Facilities approved by the PJM Board of Managers prior to the February 1, 2013 revisions to PJM Tariff, Schedule 12. The amendments to the PJM Tariff included adding pro forma tariff records to include a new Schedule 12-C, including Appendices A through C, as well to revise cost responsibility assignments for Covered Transmission Enhancements detailed in Schedule 12-C, Appendix A consistent with the terms of the Settlement. The proposed amendments are effective as of January 1, 2016, consistent with the May 31 Order.

On December 19, 2019, in Docket Nos. EL16-49-000 and EL18-178-000, the Commission issued an order directing PJM to submit a compliance filing within 90 days and expand its current Minimum Offer Price Rule, with certain exemptions, to address state-subsidized capacity resources.

On December 19, 2019, in Docket No. ER13-535-005, the Commission issued an order denying the rehearing requests of Old Dominion Electric Cooperative and the PSEG

Companies regarding the Commission's December 8, 2017 order on remand from the decision of the United States Court of Appeals for the District of Columbia Circuit in *NRG Power Marketing, LLC v. FERC*.

On December 12, 2019, in Docket No. EL19-27-000, the Commission issued an order [SMJ2] denying requests for privileged treatment and granting limited privileged treatment only to the transportation cost portion of the relevant Fuel Cost Policy. The relevant documents for which privileged treatment was sought will be placed in the public record for this proceeding no sooner than five days from the issuance of the order.

On December 6, 2019, in Docket No. ER20-250-000, the Commission issued a letter order accepting revisions to PJM Operating Agreement, Schedule 12, and RAA, Schedule 17, to (i) add new members, (ii) remove withdrawn members, (iii) reflect signatories to the RAA, and (iv) reflect members whose corporate names changed during the third quarter of 2019. The revisions are effective as of September 30, 2019.

On December 4, 2019, in Docket Nos. ER18-2068-000 and 001, the Commission issued an order of the chief judge terminating settlement judge proceedings pertaining to PJM's July 2018 FTR waiver request, the related July 2018 FTR auction and the Offer of Settlement and Explanatory Statement submitted by PJM and listed Settling Parties on October 9, 20[SMJ3][CJ4][RLM5]19.

On December 2, 2019, in Docket No. ER20-34-000, the Commission issued an order accepting PJM's and MISO's October 3, 2019 filings submitted concurrently (under separate cover and dockets) revising the PJM-MISO JOA, sections 9.3 and 9.4 to further clarify the Coordinated System Plan process, as well as to clean up inconsistencies overlooked in prior compliance filings. The revisions are effective as of December 3, 2019.

On December 2, 2019, in Docket Nos. ER18-2068-000, 001 and 004, the Commission issued the final report of settlement judge regarding PJM's July 2018 FTR waiver request, the related July 2018 FTR auction and the Offer of Settlement and Explanatory Statement submitted by PJM and listed Settling Parties on October 9, 2019.[SMJ6][CJ7][RLM8]

## FILINGS

On January 3, 2020, in Docket No. ER20-736-000, PJM submitted for filing proposed revisions to the PJM Tariff, Schedule 12-Appendix A to incorporate cost responsibility assignments for 20 baseline upgrades included in the recent update to the Regional Transmission Expansion Plan approved by the PJM Board of Managers on December 4, 2019. To allow a 30-day comment period PJM requests the revisions become effective on April 2, 2020, which is 90 days after the date of this filing.

On December 31, 2019, in Docket Nos. ER19-2105-000 and -001, PJM submitted an informational filing to report to the Commission changes by American Transmission Services Systems, Incorporated and American Electric Power Services Corporation to

the Network Service Peak Load that necessitated a posting on the PJM website correcting inputs and calculations used to determine the 2020 Border Yearly Charge.

On December 31, 2019, in Docket No. ER20-717-000, PJM submitted for filing revisions to PJM Tariff, Schedule 12 – Appendix and Schedule 12 – Appendix A to update its annual cost responsibility for Regional Facilities, Necessary Lower Voltage Facilities and Lower Voltage Facilities consistent with PJM Tariff, Schedule 12. PJM requested the revisions be effective as of January 1, 2020.

On December 27, 2019, in Docket No. EL19-91-000, PJM submitted its response to the Commission's Order instituting section 206 proceedings requesting PJM response to three categories of questions relative to PJM's 2016, 2017, 2018 and 2019 informational filings for immediate need reliability projects.

On December 23, 2019, in Docket No. ER20-584-000, PJM submitted an answer in response to the December 23, 2019 motion for extension of time of American Electric Power Service Corporation, East Kentucky Power Cooperative, Inc., and NextEra Energy Resources, LLC. PJM submitted the answer to inform the Commission that it does not oppose an extension until January 13, 2020 for stakeholders to submit interventions and comments in this docket.

On December 23, 2019, in Docket No. ER19-2708-001, PJM submitted a filing in compliance with the Commission's November 25, 2019 Order requiring revisions to PJM Tariff, Schedule 12-Appendix A to reallocate the assignments of cost responsibility for 34 new Required Transmission Enhancements included in the regional transmission expansion plan solely to address individual transmission owner Form No. 715 planning criteria that were approved by the PJM Board of Managers on July 30, 2019. PJM requested revisions be effective as of November 27, 2019 consistent with the effective date requested in PJM's August 29, 2019 filing.

On December 23, 2019, in Docket No. ER20-674-000, PJM submitted a filing in accordance with PJM Operating Agreement, Schedule 11 to assign penalty costs for the alleged violation of a NERC reliability standard associated with the Notice of Penalty filed in Docket No. NP19-3-000.

On December 20, 2019, in Docket No. EL18-170-000, PJM submitted a third reply brief in the DC Energy FTR complaint docket to update the record regarding the recently established Financial Risk Mitigation Senior Task Force, the stakeholder meeting that will soon commence to seek endorsement and approval of proposed governing document revisions to include appropriate membership rule changes, and PJM's upcoming filing of the first phase of its proposed rule changes. PJM requests that the Commission delay action on the complaint and hold this proceeding in abeyance until June 30, 2019 to allow time for PJM to implement new rules.

On December 19, 2019, in Docket No. EL20-10-000, PJM filed an Answer to the Complaint filed by Anbaric Development Partners, LLC (Anbaric) on November 18, 2019. PJM requested that the Commission deny the Complaint, as Anbaric has not met

its burden under section 206 of the Federal Power Act to demonstrate that PJM's Tariff is unjust or unreasonable in not providing "Transmission Platform Projects" with the ability to obtain Transmission Injection Rights.

On December 19, 2019, in Docket No. ER20-646-000, PJM filed proposed nonsubstantive, clerical, and ministerial revisions to the PJM Tariff, PJM Operating Agreement, and RAA. PJM is requesting an effective date of February 18, 2020.

On December 19, 2019, in Docket No. ER20-648-000, PJM and MISO submitted revisions to the PJM-MISO JOA to, except for in limited circumstances, discontinue the use of Constraint Relaxation Logic and allow the Transmission Constraint Penalty Factor to set the shadow price of a constrained market-to-market flowgate. PJM and MISO are requesting an effective date of February 18, 2020.

On December 18, 2019, in Docket Nos. ER15-1344-007 and ER20-45-000, PJM submitted a motion for leave to answer and answer to protests filed in response to PJM's October 29, 2019 compliance proposing revisions to PJM Tariff, Schedule 12-Appendix A for 44 enhancements and expansions included in the regional transmission expansion plan addressing individual transmission owner Form No. 715 planning criteria.

On December 16, 2019, in Docket No. ER19-469-003, PJM submitted a compliance filing containing proposed revisions to the PJM Tariff and PJM Operating Agreement specific to the Commission's directives in its October 17, 2019 order pertaining to PJM's Order No. 841 compliance filing regarding Energy Storage Resources | [SMJ9][CJ10] participation in PJM markets. PJM is requesting an effective date of December 3, 2019 for the revisions. With respect to the specific revisions related to better accounting for an Energy Storage Resource's State of Charge, PJM is requesting an effective date of March 31, 2024.

On December 12, 2019, in Docket No. ER20-584-000, PJM submitted a compliance filing pursuant to the Commission's October 17, 2019 order in Docket Nos. ER19-469-000 and EL19-100-000. Consistent with the order, the proposed revisions incorporate PJM's rules for determining the capacity values of all resources into RAA, Schedule 9. PJM is requesting an effective date of December 3, 2019.

On December 11, 2019, in Docket Nos. ER20-254-001 and ER20-256-001, PJM and Wabash Valley Power Association, Inc. (Wabash Valley) jointly submitted an amendment to the filing of proposed revisions to PJM Tariff, Attachment L and CTOA, Attachment A reflecting the addition of Wabash Valley as a new Transmission Owner. PJM and Wabash Valley requested a delayed effective date until such time as PJM and Wabash determine and notify the Commission of the actual effective date.

On December 6, 2019, in Docket No. ER20-271-000, PJM submitted an answer in response to the November 21, 2019 comments filed by the Market Monitor for PJM regarding Non-Performance Charges and Bonus Performance for Price Responsive Demand during Performance Assessment Intervals.

On December 6, 2019, in Docket No. ER19-2714-000, PJM submitted on behalf of Virginia Electric and Power Company (Dominion) an informational notification to the Commission of the actual effective date of the revisions to Dominion's formula transmission rate accepted by the Commission's October 28, 2019 letter order. Dominion requests the revisions be effective as of November 15, 2019.