



MC Legal Report  
Summary of Significant Filings, Legal Activity  
and  
Federal Energy Regulatory Commission (Commission) Orders  
(January 6, 2020 – February 2, 2020)

**ORDERS**

On January 16, 2020, in Docket Nos. ER20-245-000 and ER20-254-001, the Commission issued an order: (i) accepting the revisions to the PJM Tariff and PJM CTOA to reflect Wabash Valley's new status as a PJM transmission owner; and (ii) directing PJM and Wabash to submit a compliance filing to establish an actual effective date within 30 days of the date on which such effective date becomes known.

On January 16, 2020, in Docket Nos. ER20-256-000 and ER20-256-001, the Commission issued an order: (i) accepting the revisions to the PJM Tariff and PJM CTOA to reflect Wabash Valley's new status as a PJM transmission owner; and (ii) directing PJM and Wabash to submit a compliance filing to establish an actual effective date within 30 days of the date on which such effective date becomes known.

On January 22, 2020, in Docket No. ER20-262, the Commission issued a letter order accepting revisions to the PJM Tariff, Schedule 12-Appendix A to incorporate cost responsibility assignments for 21 baseline upgrades included in the recent update to the Regional Transmission Expansion Plan approved by the PJM Board of Managers on October 1, 2019. The revisions are effective as of January 29, 2020.

On January 23, 2020, in Docket No. EL17-90-001, the Commission issued an order denying rehearing stating that (i) the Mobile-Sierra "public interest" presumption did not apply to the terms in the ISA and were not protected by the Mobile-Sierra presumption; (ii) the ISA Memphis clause in the ISA permitted the Commission to apply the just and reasonable standard; and (iii) no operational or reliability rationale prevented the Commission from permitting Linden VFT, LLC (Linden) to convert from Firm to Non-Firm Transmission Withdrawal Rights (TWRs) as the Commission relied on PJM's statement that reducing Linden's TWRs from Firm to Non-Firm presented no operational or reliability risks to the PJM system.

On January 23, 2020, in Docket No. EL17-84-001, the Commission issued an order denying rehearing stating that (i) the Mobile-Sierra "public interest" presumption did not apply to the terms in the ISA and were not protected by the Mobile-Sierra presumption; (ii) the ISA Memphis clause in the ISA permitted the Commission to apply the just and reasonable standard; and (iii) no operational or reliability rationale prevented it from permitting Hudson Transmission Partners, LLC (HTP) to convert from Firm to TWRs as the Commission relied on PJM's statement that reducing HTP's TWRs from Firm to Non-Firm presented no operational or reliability risks to the PJM system.

On January 23, 2020, in Docket No. ER19-2722, the Commission issued an order holding PJM's fast-start pricing proceeding in abeyance until July 31, 2020, to allow PJM and its stakeholders the opportunity to fully consider necessary changes to address what the Commission described as a misalignment in pricing and dispatch, in conjunction with the compliance directives of the Commission's Order on Paper Hearing.

On January 23, 2020, in Docket No. ER20-45, the Commission issued an order accepting PJM's August 30, 2019 compliance filing in response to the Commission's August 30, 2019 order instituting Federal Power Act, section 206 proceeding (Order to Show Cause) in Docket No. EL19-61-000. Specifically, the Commission accepted revisions to the PJM Operating Agreement, Schedule 6 to non exempt from the competitive proposal window process transmission projects needed solely to address individual transmission owner Form No. 715 planning criteria. In addition, the Commission found that PJM's request for guidance on the treatment of transmission owners' asset management criteria included in its Form No. 715 was outside the scope of the compliance docket. Commissioner Glick dissented in part with a separate statement. The revisions are effective as of January 23, 2020 the date of the order.

## FILINGS

On January 16, 2020, in Docket No. ER19-2282, PJM and the New York Independent System Operator, Inc. filed a motion to request that the Commission grant a 90-day extension of the compliance filing deadline for implementing revisions to the Market-to-Market Entitlement rules in their Joint Operating Agreement pursuant to the Commission's letter order dated August 28, 2019, in this proceeding.

On January 21, 2020, in Docket No. ER20-543, PJM submitted an answer to a protest filed by Stonegate Power, LLC of PJM's December 9, 2019 filing of a notice of cancellation of the Gateway Energy Center, LLC's Interconnection Service Agreement, designated as Service Agreement No. 3476.

On January 21, 2020, in D.C. Circuit Case No. 19-1178, PJM submitted a response in opposition to Stonegate Power, LLC's (Stonegate) motion to hold in abeyance its petition for review of FERC's orders in Docket No. EL19-9-000 regarding Stonegate's complaint against PJM concerning extension of milestone dates while the proceeding in Docket No. ER20-543-000 concerning cancellation of Stonegate's Interconnection Service Agreement is ongoing.

On January 21, 2020, in Docket No. EL20-10, PJM filed a Motion for Leave to Answer and Answer to the January 3, 2020 Answer filed by Anbaric Development Partners, LLC (Anbaric), which responded to PJM's December 19, 2019 Answer to Anbaric's Complaint. 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 the PJM Tariff is unjust or unreasonable for failing to accommodate a preferential set of interconnection rules for Anbaric's proposed "Transmission Platform Projects."

On January 21, 2020, in Docket Nos. EL16-49-000, ER18-1314-000 and EL18-178-000, PJM submitted a request for rehearing asking the Commission to reconsider elements of its December 19, 2019 order for the PJM capacity market while also seeking clarification on specific aspects of the order to allow PJM to proceed with its next capacity auction. PJM is asking the Commission to provide greater flexibility for PJM to accommodate state energy policies and integrated utility decisions while maintaining the integrity of the PJM capacity market. PJM also notes that conducting the 2022/2023 Base Residual Auction is a high priority in the short-term and asks the Commission to encourage PJM to pursue alternative long-term solutions.

On January 22, 2020, in Docket No. ER19-2915-001, PJM submitted for filing its response to the Commission's December 23, 2019 deficiency letter regarding stakeholder proposed changes to the Operating Agreement relating to developers' ability to voluntarily submit cost commitment proposals during competitive proposal windows, and PJM's consideration of such cost commitment proposals.

On January 23, 2020, in Docket No. ER18-2068-005, PJM submitted, in compliance with the Settlement Agreement approved by the Commission on December 30, 2019, an eTariff record of the Settlement Agreement for inclusion in the PJM Tariff. The

Settlement Agreement addresses PJM's waiver request of certain Financial Transmission Rights (FTR) liquidation rules to close out and liquidate the FTR portfolio of a defaulted PJM member. PJM requested an effective date of December 30, 2019.

On January 24, 2020, in Docket No. AD20-6, the ISO-RTO Council (IRC) submitted a response to Energy Trading Institute's Request for Technical Conference and Petition for Rulemaking to Update Credit and Risk Management Rules and Procedures in Organized Markets filed on December 16, 2019. The IRC supports efforts to ensure effective credit policies are in place in organized electricity markets, but requests that the Commission not schedule the requested technical conference or commence a rulemaking proceeding at this time. Specifically, the IRC requests that the Commission allow individual RTOs and ISOs to address their respective credit and risk management issues, allow these organized markets sufficient time to gain experience with these rules, and then consider the best path forward to facilitate a dialogue on best practices and potential points of alignment among the RTOs and ISOs.

On January 28, 2020, in Docket No. ER20-271-001, pursuant to the Commission's December 30, 2019 order, PJM submitted a compliance filing to clarify in the PJM Tariff that Price Responsive Demand is not eligible to receive bonus performance payments during a Performance Assessment Interval when the PRD Curve associated with the PRD registration indicates a price point where no demand reduction is expected at the real-time LMP recorded during the Performance Assessment Interval. PJM requested an effective date of December 30, 2019.

On January 29, 2020, in Docket No. EL20-10, PJM filed an answer to the Motion to Lodge filed by Anbaric Development Partners, LLC. PJM has no objection to the request to lodge legislation recently enacted by the state of New Jersey related to offshore wind transmission facilities, but provides a note of caution for the reader of the filed exhibit given the drafting convention in the legislation.

On January 29, 2020, in Docket No. ER20-903, PJM submitted ministerial revisions to the PJM Tariff and PJM Operating Agreement to incorporate previously accepted revisions which would otherwise not be reflected in the Tariff and Operating Agreement due to the overlapping timing of certain PJM filings. No substantive changes to the Tariff or Operating Agreement were made in this filing. PJM requested an effective date of December 3, 2019.

On January 29, 2020, in Docket No. ER20-894, PJM submitted for filing proposed revisions to the PJM Operating Agreement, Schedule 12, and the RAA, Schedule 17, to (i) add the new members, (ii) remove withdrawn members, (iii) reflect the signatories to the RAA, and (iv) reflect members' whose corporate names changed during the fourth quarter of 2019. PJM requested the revisions be effective as of December 31, 2019.