

MC Legal Report
Summary of Significant Filings, Legal Activity and
Federal Energy Regulatory Commission (Commission) and Court Orders
(April 20, 2024 – May 13, 2024)

ORDERS

On May 6, 2024, in Docket No. ER23-729-002, the Commission issued an order that requires PJM to recalculate the 2024/25 BRA results and to rerun the 2024/25 Third Incremental Auction.

On May 2, 2024, in Docket No. ER24-1649-000, the Commission issued a letter order accepting the filing PJM submitted on behalf of PECO Energy Company (PECO) of the annual filing required by PECO's formula rate implementation protocols revising the depreciation and amortization rates. PECO's filing will be effective as of May 29, 2024.

On May 1, 2024, the Presiding Judge issued an Order Denying Request for Shortened Answer Period and Establishing Answer Period ("Order") in the Black Start CRF proceeding, Docket Nos. ER21-1635-000 and EL21-91-003. The Order sets May 14, 2024, as the due date for all answers to the Motion for Reestablishment of Settlement Judge Procedures and Shortened Time Period to Answer, and Request for Presiding Judge Concurrence (the "Motion") filed by the Settling Parties on April 29, 2024.

On May 1, 2024, in Docket No. ER24-1607-000, the Commission issued a letter order accepting PJM's ministerial clean-up filing to ensure the Tariff correctly reflects the language in Tariff, Schedule 12-Appendix A that was accepted by FERC as of various effective dates.

On April 30, 2024, in Docket No. ER24-1387-000, the Commission issued an order rejecting PJM's proposed amendments regarding the selection of offer schedules used to clear PJM's Day-ahead Energy Market to accommodate multi-schedule models in the market clearing engine.

On April 30, 2024, in Docket No. ER21-214-003, the Commission issued a letter order accepting the filing PJM filed on behalf of Baltimore Gas and Electric Company (BGE), of a compliance filing, consisting of revised tariff sheets as provided for in a Settlement Agreement approved by the Commission by Letter Order issued on February 23, 2024. BGE's filing will be effective as of January 1, 2021.

On April 29, 2024, in Docket No. EL23-50-001, the Commission issued a Notice of Denial of Rehearing by Operation of Law, in response to the IMM's March 29, 2024 request for rehearing of the order denying complaints in the LC meeting proceeding.

On April 25, 2024, in Docket No. EL21-91-003, FERC issued an order adopting a revised procedural schedule. The Chief Administrative Law Judge issued an order adopting new hearing commencement and initial decision deadlines for this proceeding.

On April 25, 2024, in Docket No. ER24-99-002, the Commission issued a letter order accepting PJM's compliance filing pursuant to the Commission's January 30, 2024 order accepting certain enhancements to PJM's capacity market related to capacity accreditation and risk modeling. PJM's additional revisions to the Tariff and RAA are effective December 12, 2023.

On April 23, 2024, in Docket No. ER24-1313-000, the Commission issued a letter order accepting the filing PJM submitted on behalf of Exelon Corporation, on behalf of its four affiliates Baltimore Gas and Electric Company (BGE), Delmarva Power & Light Company (DPL), PECO Energy Company (PECO), and Potomac Electric Power Company (Pepco), of a request for authorization to recover 100 percent of prudently incurred costs to construct the projects

identified by PJM Interconnection, L.L.C. as a result of the 2022 Regional Transmission Expansion Plan Window 3 (Projects). Exelon's application will be effective as of April 24, 2024.

FILINGS

On May 10, 2024, in Docket No. ER24-1988-000, PJM submitted revisions to PJM's Reliability Assurance Agreement regarding the definitions of combined cycle and combustion turbine dual fuel resources used for purposes of capacity accreditation. This proposal seeks to amend these definitions to allow resources that are capable of starting independently using onsite sources to qualify in the respective dual fuel resource classes for purposes of calculating effective load carrying capability. PJM requested that the revisions become effective as of July 10, 2024.

On May 10, 2024, in Docket No. ER24-1987-000, PJM submitted clerical and ministerial markets-related revisions originating from the Governing Document Enhancement & Clarification Subcommittee (the GDECS Filing) to correct, clarify, and/or make consistent certain markets-related provisions of the PJM Tariff, Operating Agreement, and Reliability Assurance Agreement. PJM requested that the Commission issue a notice establishing a shortened five business day comment period for the GDECS Filing. Also, PJM requested a waiver of the 60-day notice requirement and asked the Commission to act expeditiously by issuing an order on the GDECS Filing by May 31, 2024, so that the GDECS Filing is effective May 31, 2024, prior to the commencement of the 2024/2025 Delivery Year.

On May 10, 2024, in Docket No. ER24-1995-000, PJM filed revisions to the Tariff, Attachment L. PJM submitted the filing pursuant to Ohio Valley Electric Corporation's (OVEC) request to make a ministerial filing to correct the legal name for OVEC set forth in list of Transmission Owners in Tariff, Attachment L. PJM requested the revisions to be effective as of July 10, 2024.

On May 10, 2024, in Docket No. ER24-1996-000, PJM filed revisions to the CTOA, Attachment A. PJM submitted the filing pursuant to Ohio Valley Electric Corporation's (OVEC) request to make a ministerial filing to correct the legal name for OVEC set forth in list of Transmission Owners in CTOA, Attachment A. PJM requested the revisions to be effective as of July 10, 2024.

On May 9, 2024, in Docket No. ER24-976-001, PJM filed an answer to the April 24, 2024 request for rehearing filed by Prairie Creek Wind, LLC (Prairie Creek), in which Prairie Creek sought rehearing of FERC's order rejecting its request for waiver of Tariff, Part VII, Subpart A, section 301(A)(7)(b) to allow Prairie Creek to obtain an Engineering and Procurement Agreement in advance of the time permitted under the Tariff. PJM in its answer asserted that the Commission acted properly in rejecting the waiver request, and should also reject the rehearing request.

On May 7, 2024, in Case No. 23-1299, PJM submitted an unopposed Motion for Leave to Amend its October 6, 2023 Petition for Review. PJM filed the Motion to Amend to incorporate the Commission's March 21, 2024 Order No. 2023-A in its petition for review.

On May 6, 2024, in Docket Nos. ER22-957-000 and EL22-26-000 (not consolidated), PJM submitted its ninth informational update to provide the Commission with the most updated congestion pattern information on the Northern Neck Peninsula.

On May 6, 2024, in Docket No. ER24-1266-001, PJM filed a request for rehearing of the Commission's April 5, 2024 order that granted Rush Solar Project II, LLC's February 15, 2024 request for waiver of the Tariff's provisions governing the requirements for issuing an Engineering and Procurement Agreement. PJM stated that the Commission erred in determining the waiver request complied with the applicable waiver request standards, and by taking action that is contrary to the Commission's recent approval of PJM's queue reform efforts.

On May 6, 2024, in Docket Nos. EL24-73-000, et al., PJM filed an answer to the April 19, 2024 answer filed by Welcome Solar, LLC, Welcome Solar II, LLC, and Welcome Solar III, LLC (collectively, "Welcome Solar"). PJM

argued that Welcome Solar's answer did not support its claims or bolster its request for relief regarding PJM's properly filed Notices of Cancellation of Welcome Solar's Interconnection Service Agreements.

On May 3, 2024, in Docket No. ER24-1942-000, PJM submitted a ministerial clean-up filing to ensure the Tariff correctly reflects the language in Tariff, Schedule 12-Appendix, Schedule 12-Appendix A and Schedule 12-Appx C that was accepted by FERC as of various effective dates.

On May 2, 2024, in Docket Nos. ER22-1539-002 and ER23-2688-002, PJM submitted reply comments in support of the proposed April 2, 2024 Offer of Settlement in the Indian River 4 Reliability-Must-Run (RMR) proceeding.

On May 1, 2024, in Docket No. EL24-104-000, PJM submitted an answer to the complaint filed by the PJM Load Parties regarding capacity prices and commitments for the 2024/2025 Delivery Year.

On April 29, 2024, the Settling Parties, which includes PJM, filed a Motion for Reestablishment of Settlement Judge Procedures and Shortened Time Period to Answer, and Request for Presiding Judge Concurrence (the "Motion"), in Docket Nos. ER21-1635-000 and EL21-91-003. The Settling Parties request that the Chief Administrative Law Judge ("ALJ") appoint a settlement judge to assist with their ongoing efforts to resolve the Black Start Capital Recovery Factor (CRF) proceeding through a negotiated settlement. The Settling Parties further request that the Chief ALJ shorten the answer period to the Motion to five business days in accordance with Rule 213(d)(1) of the Commission's Rules of Practice and Procedure.

On April 29, 2024, in Docket Nos. ER22-2931-000 and EL24-26-000 (consolidated), PJM filed an answer to the motion for summary disposition of Leeward Renewable Energy, LLC and Vesper Energy Development LLC, along with a motion for leave to answer and answer to the answers of Copenhagen Infrastructure Partners Inc. and Enbridge Holdings (Green Energy) L.L.C. PJM argued that the motion for summary disposition mischaracterizes both the historical land rights obligations in the PJM Tariff and the future applicability of changes to the Tariff at issue in this proceeding, and should be denied. PJM also outlined its two-pronged approach to address the Commission's concerns in its December 20, 2023 order.

On April 22, 2024, in Docket No. EL24-104-000, the PJM Load Parties, who include American Municipal Power, Inc., Delaware Division of the Public Advocate, Delaware Energy Users Group, Delaware Municipal Electric Corporation, Delaware Public Service Commission, Maryland Office of People's Counsel, Maryland Public Service Commission, and Old Dominion Electric Cooperative, filed a conditional complaint against PJM Interconnection, L.L.C. The complaint requests that in the event the Commission grants PJM's Petition in Docket No. ER23-729-002 to recalculate Base Residual Auction (BRA) for the 2024/2025 Delivery Year, then the Commission: (1) grant this complaint with a refund effective date of April 22, 2024; (2) find that the recalculated 2024-25 BRA prices are unjust and unreasonable; (3) direct PJM to maintain the February 2023 BRA and the Third Incremental Auction results as the just and reasonable replacement rate; and, (4) take any other actions the Commission may deem necessary and appropriate. PJM's answer to this conditional complaint is due by May 1, 2024.

On April 22, 2024, in Docket No. ER24-1803-000, PJM proposed re-dated eTariff records of the PJM Tariff, Operating Agreement, and Reliability Assurance Agreement applicable to the capacity market components of PJM's Order No. 2222 compliance filing in Docket No. ER22-962. Specifically, PJM proposed to re-date these eTariff records from their current effective dates July 1, 2023 and July 1, 2024, to a new effective date of July 1, 2025, in light of the fact that major components of PJM's DER Aggregator Participation Model are still pending and unsettled at the Commission.