
I. ANSWER

PJM provides this brief answer to respond to the Safe Harbor’s mischaracterization of PJM’s reply comments filed on April 30, 2019, in this proceeding (“Reply Comments”). In the Reply Comments, PJM stated that the Commission should condition its approval of PPL Electric Utilities Corporation’s (“PPL”) Federal Power Act, Section 203(a)(1)(A) application for transfer (“Transfer”) of PPL’s FERC jurisdictional Conestoga Substation (the “Substation”) on the parties entering into and/or amending appropriate service agreements governing the interconnection of Safe Harbor’s hydroelectric facility (the “Hydroelectric Facility”) to the Substation. Specifically, PJM explained that four agreements are needed to effectuate the jurisdictional transfer of the Substation to Amtrak while maintaining FERC-jurisdictional

1 The Commission’s Rules of Practice and Procedure, 18 C.F.R. 385.213(a)(2), do not permit an answer to answers unless otherwise ordered by the decisional authority however, the Commission has made exceptions when an answer clarifies the issue or assists in creating a complete record. See, e.g. PJM Interconnection, L.L.C. 127 FERC ¶ 61,197 (2009)(answer to answer permitted to assist Commission in decision-making process); New Power Company v. PJM Interconnection, L.L.C., 98 FERC ¶ 61,208 (2002) (answer accepted to provide new factual and legal material to assist Commission in decision-making process). In this answer, PJM provides the Commission with information useful to clarify the issues and assist the Commission in the decision-making process by providing a more complete and accurate record.
interconnection service to Safe Harbor’s Hydroelectric Facility: (i) a revised Interconnection Service Agreement (“ISA”); (ii) a Wholesale Market Participation Agreement (“WMPA”) for units 1 and 2 (“Units 1 and 2”); (iii) an interconnection agreement between Amtrak and Safe Harbor for Units 1 and 2, and (iv) a wires-to-wires interconnection agreement between PPL and Amtrak.

Safe Harbor mischaracterizes PJM’s Reply Comments when it stated that it “appreciates PJM’s support for the protection of Safe Harbor’s existing rights to interconnect the Units and access the PJM wholesale markets through the Conestoga Substation.” As explained below, PJM did not and could not provide support for the protection of Safe Harbor’s “existing rights to interconnect” Units 1 and 2.

In the Reply Comments, PJM explained that the Safe Harbor ISA to which PJM is party governs the interconnection of Safe Harbor’s Hydroelectric Facility to the Substation. Under the ISA, the point of interconnection (“POI”) for Units 1 and 2 is currently located in the Substation that will be transferred to Amtrak. Once Amtrak owns the Substation, the POI for Units 1 and 2 of the Hydroelectric Facility needs to change to the point where the Substation interconnects to PPL’s facilities because Units 1 and 2 will be connected to a non-PJM Transmission Owner Substation effectively placing the units behind the meter.

This change in POI will change the value of Safe Harbor’s interconnect rights known as Capacity Interconnection Rights (“CIRs”) because by definition CIRs are “rights to input generation as a Generation Capacity Resource in the Transmission System at the Point of Interconnection where the generation facilities connect to the Transmission System.” Since

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2 Safe Harbor Answer at 3.
3 The ISA is among PPL Electric, Safe Harbor, and PJM and is designated as Original Service Agreement No. 3504 under the PJM Open Access Transmission Tariff. See PJM Interconnection, L.L.C., Docket No. ER13-891-000 (Letter Order issued Mar. 21, 2013).
4 PJM Open Access Transmission Tariff, Definitions C-D.
CIRs are awarded at the POI, the moved POI will change Safe Harbor’s CIR values for Units 1 and 2. Simply put, while these two units were previously interconnected to PPL, they are now interconnected to Amtrak, an end use customer. In addition, there is a physical constraint that limits the ability to deliver energy from Units 1 and 2 to the grid.

Thus, PJM’s Reply Comments cannot be read to mean PJM “supports the protection of Safe Harbor’s existing rights to interconnect”\(^5\) Units 1 and 2 because the Transfer will change the POI and, while the interconnection will be maintained, the CIRs for Units 1 and 2 will change. As a result, the Transfer must be conditioned on the parties amending the existing ISA and signing a WMPA. This will allow PJM to conform the interconnection to the new ownership of the Substation by Amtrak and the new POI when the Transfer is consummated.

II. CONCLUSION

PJM respectfully requests the Commission accept and consider the above answer.

Respectfully submitted,

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Date: May 16, 2019

\(^5\) Safe Harbor Answer at 3.
CERTIFICATE OF SERVICE

I hereby certify that I have had served this day the foregoing document on those parties on the official Service List compiled by the Secretary in these proceedings.

Dated at Audubon, Pennsylvania this 16th day of May, 2019.

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