



**MC Legal Report
Summary of Significant Filings, Legal Activity
and
Federal Energy Regulatory Commission (Commission) and Court Orders
(February 10, 2023 – March 3, 2023)**

ORDERS

On March 1, 2023, in Docket No. ER22-962-000, the Commission issued an order on PJM's February 1, 2022 Order No. 2222 compliance filing relating to the participation of distributed energy resource (DER) aggregators in PJM's energy, capacity, and ancillary services markets. The Commission accepted PJM's compliance filing, to become effective July 1, 2023 and February 2, 2026, as requested, subject to further compliance filings to be submitted within 30 and 60 days of the date of issuance of the order. The Commission also directed PJM to submit an informational filing within 30 days of the date of issuance of the order "to provide an update on implementation timeline milestones associated with meeting the July 1, 2023 and February 2, 2026 effective dates for participation in its markets."

On February 23, 2023, in Docket No. ER22-1165-002, the Commission accepted PJM's revised tariff records to incorporate by reference certain North American Energy Standards Board Wholesale Electric Quadrant business practice standards revisions that Order No. 676-J directed public utilities to adopt. The filing is effective February 23, 2023, subject to an additional compliance filing within 30 days of the date of the order. The Commission also granted PJM's request for continued waivers of certain cybersecurity standards.

On February 21, 2023, in Docket No. EL23-19-000, FERC dismissed PJM's complaint regarding the Locational Deliverability Area Reliability Requirement as moot because FERC accepted PJM's companion section 205 filing in Docket No. ER23-729-000.

On February 21, 2023, in Docket No. ER23-729-000, FERC accepted PJM's proposed revisions to update the Tariff provisions to allow the Locational Deliverability Area Reliability Requirement to be modified based on actual participation of Planned Generation Capacity Resources in the RPM Auctions. PJM requested an effective date of December 24, 2022, for the Tariff revisions.

On February 17, 2023, in Docket No. EL23-29-000, the Commission issued an order granting PJM's motion to extend the deadline to answer the complaint filed by Invenergy Energy Management LLC until March 7, 2023.

On February 17, 2023, in Docket No. ER23-712-000, the Commission issued an Order accepting PJM's revisions to the PJM Tariff, Schedule 12 – Appendix and Schedule 12 – Appendix A to update annual cost responsibility assignments for Regional Facilities, Necessary Lower Voltage Facilities and Lower Voltage Facilities consistent with PJM Tariff, Schedule 12. PJM's revisions become effective as of January 1, 2023.

On February 16, 2023, in Docket Nos. ER20-1739-002 and ER20-1739-003, the Commission issued a letter order accepting the compliance filings by PJM on behalf of American Transmission Systems, Incorporated (ATSI) to satisfy the Commission's directives in a November 2021 Order implementing the excess or deficient accumulated deferred income tax (ADIT) requirements of Order No. 864. ATSI's



revisions become effective as of January 27, 2020, and the Commission requested for ATSI to make a further compliance filing by March 20, 2023.

On February 16, 2023, in Docket Nos. ER20-1951-002 and ER20-1951-003, the Commission issued a letter order accepting the compliance filings by PJM on behalf of Mid-Atlantic Transmission, LLC (MAIT) to satisfy the Commission's directives in a December 2021 Order implementing the excess or deficient accumulated deferred income tax (ADIT) requirements of Order No. 864. MAIT's revisions become effective as of January 27, 2020, and the Commission requested for MAIT to make a further compliance filing by March 20, 2023.

On February 14, 2023, in Docket Nos. ER22-2984-000 and -001, the Commission issued an order accepting updates to its capacity auction parameters as part of its quadrennial review of Cost of New Entry, Variable Resource Requirement curve, and the energy and ancillary service offset. Specifically, the Commission accepted Tariff changes that, among other things, adopt a combined cycle as the Reference Resource, update the Variable Resource Requirement curve, and adopt a forward looking energy and ancillary service offset in calculating the Net Cost of New Entry for the Reference Resource. The Tariff revisions are effective as of December 1, 2022, and will be implemented starting with the Base Residual Auction for the 2026/2027 Delivery Year, scheduled for November 2023.

FILINGS

On March 2, 2023, in Docket No. ER23-1222-000, PJM submitted on behalf of Duquesne Light Company (Duquesne) revisions to the transmission formula rate set forth in PJM Tariff, Attachment H-17A in compliance with Order No. 864. Duquesne requests authorization from the Commission to recover in Duquesne's formula rate the costs associated with the abandoned Dravosburg-Elrama Expansion Project. Duquesne requested an effective date of May 1, 2023 for their Tariff revisions.

On March 2, 2023, in Docket No. ER23-1221-000, PJM submitted on behalf of Duquesne Light Company (Duquesne) revisions to the transmission formula rate set forth in PJM Tariff, Attachment H-17A in compliance with Order No. 864. Duquesne requests authorization from the Commission to recover in Duquesne's formula rate the costs associated with the abandoned Beaver Valley Deactivation Transmission Project. Duquesne requested an effective date of May 1, 2023 for their Tariff revisions.

On February 17, 2023, in Docket No. EL23-13-000, PJM submitted a Motion for Leave to Answer and Answer to the January 27, 2023 Answer of Roy J. Shanker, Ph.D filed in the captioned docket. In its Answer, PJM notes that the Shanker Answer offers no additional evidence to support Complainant's interpretations put forth in the Complaint and, as such, requests that the Commission dismiss the Complaint summarily and accept PJM's filing submitted in Docket No. ER23-1067-000 to establish new rules regarding the application of Capacity Interconnection Rights to Generation Capacity Resources within the context of PJM's Effective Load Carrying Capability construct.

On February 17, 2023, in Docket No. ER23-1168-000, PJM submitted revisions to amend and streamline the review process for operating and maintenance costs used in cost-based offers. PJM requested that the revisions become effective as of June 1, 2023, and requested that the Commission issue its order by April 19, 2023.



On February 17, 2023, in Docket No. ER21-201-002, PJM submitted on behalf of Atlantic City Electric Co. its response to the November 2, 2022 Order concerning its Order No. 864 compliance filing.

On February 17, 2023, in Docket No. ER21-203-002, PJM submitted on behalf of Baltimore Gas and Electric Co. its response to the November 2, 2022 Order concerning its Order No. 864 compliance filing.

On February 17, 2023, in Docket No. ER21-204-002, PJM submitted on behalf of Commonwealth Edison Co. its response to the November 2, 2022 Order concerning its Order No. 864 compliance filing.

On February 17, 2023, in Docket No. ER20-2004-003, PJM submitted on behalf of Public Service Electric and Gas Company (PSE&G) proposed revisions to the PJM Tariff, Attachment H-10A, in compliance with the Commission's November 2, 2022 order on Order No. 864 compliance. PSE&G is requesting that the revisions to Attachment H-10A be effective as of January 27, 2020.

On February 17, 2023, in Docket No. ER21-205-002, PJM submitted on behalf of Delmarva Power & Light Co. its response to the November 2, 2022 Order concerning its Order No. 864 compliance filing.

On February 17, 2023, in Docket No. ER21-206-002, PJM submitted on behalf of Potomac Electric Power Co. its response to the November 2, 2022 Order concerning its Order No. 864 compliance filing.

On February 17, 2023, in Docket No. ER21-209-002, PJM submitted on behalf of PECO Electric Co. its response to the November 2, 2022 Order concerning its Order No. 864 compliance filing.

On February 14, 2023, in Docket No. ER19-1958-003, PJM filed an informational report to inform the Commission of PJM's interconnection study performance pursuant to the Commission's Order No. 845, Order No. 845-A, and Order No. 845-B and PJM Tariff, Part IV, section 41.6. PJM is submitting this informational report to inform the Commission of PJM's interconnection study performance, and to describe the reasons for exceeding study deadlines and steps PJM is taking to prevent such delays in the future.

On February 13, 2023, in Docket No. ER23-1107-000, PJM submitted for filing an executed Necessary Studies Agreement (NSA) among PJM as Transmission Provider and Crystal Hill Solar, LLC as Customer, designated as Original Service Agreement No. 6783. PJM submitted the NSA because there is currently no pro forma under the Tariff. PJM requests the NSA be effective as of January 13, 2023.

On February 13, 2023, in Docket No. ER23-423-001, PJM filed a response to the Commission's January 12, 2023 Deficiency Notice. The Commission's Deficiency Notice seeks additional information concerning PJM's November 14, 2022 filing in which PJM proposed revisions to Operating Agreement, Schedule 12 to reflect the permanent termination of Hill Energy Resource & Services, LLC as a PJM Member as a result of multiple payment and credit defaults. PJM requested the revisions be effective as of January 17, 2023.

On February 13, 2023, in Docket No. EL3-29-000, PJM filed an unopposed motion for extension of time and request for expedited action. PJM requested that the Commission extend the deadline to answer the complaint filed by Invenergy Energy Management LLC by two weeks, to March 7, 2023. PJM also requested that the Commission waive the answer period and grant PJM's extension request as expeditiously as possible, but no later than February 17, 2023.

On February 10, 2023, in Docket Nos. ER22-957-000 and EL22-26-000 (not consolidated), PJM submitted its fourth informational update to provide the Commission with the most updated congestion pattern information on the Northern Neck Peninsula.



On February 10, 2023, in Docket No. [ER23-1087-000], PJM submitted on behalf of American Electric Power Service Corporation (AEP), on behalf of its affiliates, AEP Appalachian Transmission Company Inc., AEP Indiana Michigan Transmission Company Inc., AEP Kentucky Transmission Company Inc., AEP Ohio Transmission Company Inc., and AEP West Virginia Transmission Company Inc., revisions to the PJM Tariff, Attachment H-20B Part II, to update the Post-employment Benefits Other than Pensions (PBOP) allowance rate for AEP East Transmission Companies. AEP is requesting that the revisions be effective as of April 12, 2023.