



**MC Legal Report
Summary of Significant Filings, Legal Activity
and
Federal Energy Regulatory Commission (Commission) and Court Orders
(September 14 – October 6, 2021)**

ORDERS

On October 1, 2021, in Docket No. ER21-2750-000, FERC granted PJM's petition to reinstate the Tariff imposed deadline for submitting peak shaving adjustment plans in advance of each Base Residual Auction.

On September 29, 2021, in Docket No. EL20-59-001, the Commission rejected PJM's Request for Clarification relating to certain statements in the Commission's July 29 Order dismissing the Complaint of the Duquesne Light Company (Duquesne Complaint).

On September 29, 2021, in Docket No. ER21-2582-000, the Commission issued a Notice of Filing Taking Effect by Operation of Law because the Commissioners are divided two against two on the proposed MOPR revisions. In the absence of Commission action on PJM's MOPR proposal, the revised rules became effective by operation of law effective September 29, 2021.

On September 21, 2021, in Docket No. ER21-2518-000, the Commission issued a letter order accepting the filing by PJM on behalf of Virginia Electric and Power Company d/b/a Dominion Energy Virginia (Dominion) of tariff revisions to Intra-PJM Tariff, Attachment H-16A to incorporate the agreed-upon scope of certain Transmission-Related Assets and Unfunded Reserves as a rate base adjustment. The tariff revisions to Attachment H-16A become effective as of January 1, 2021.

On September 17, 2021, in Docket Nos. ER19-2517-000 and ER19-2517-001, the Commission issued a letter order rejecting as moot the clean-up filing of tariff revisions submitted in Docket No. ER19-2517-000, and accepting the clean-up filing submitted in Docket No. ER19-2517-001 of tariff records to PJM Tariff, Schedule 12 – Appendix A (Jersey Central Power and Light Company) and (Metropolitan Edison Company) to historically correct and incorporate revisions previously accepted by the Commission for baseline upgrades b2809 and b2814 that were inadvertently omitted. The revisions to each tariff record become effective consistent with the effective dates requested and accepted by the Commission in the respective dockets.

On September 16, 2021, in Docket No. ER20-1068-003, the Commission issued a notice of denial of rehearing by operation of law and providing for further consideration in regards to the Commission's July 15, 2021 Order on paper hearing. That Order found that the Dayton Power and Light Company did not qualify for a 50 basis point adder to the authorized return on equity to reflect Dayton's continued membership in PJM.



FILINGS

On October 6, 2021, in Docket No. ER13-198-008, PJM Interconnection, L.L.C. submitted to FERC a motion for a 1-week extension to answer the Motion to Reject Filing and Protest filed in this docket, moving the filing deadline from October 7, 2021 to October 14, 2021.

On October 4, 2021, in Docket Nos. EL19-47-002, EL19-63-000, and ER21-2444-000, PJM submitted a Request for Clarification and Rehearing of the Commission's September 2, 2021 order establishing a replacement Market Seller Offer Cap. PJM maintains that the Unit-Specific Net ACR will result in over-mitigation and be administratively challenging to administer. PJM also seeks clarification that the September 2, 2021 order does not subject Demand Resources and Energy Efficiency Resources to the Market Seller Offer Cap.

On October 4, 2021, in Docket Nos. EL19-47-000, EL19-63-000, and ER21-2877-001, PJM submitted a compliance filing to amend various sections of Tariff, Attachment DD in accordance with FERC's September 2, 2021 order establishing a replacement Market Seller Offer Cap. PJM is requesting that the revisions to Tariff, Attachment DD be effective as of September 2, 2021.

On October 4, 2021, in Docket No. ER22-26-000, PJM submitted corrected versions of the Excel files for Attachment E to the October 1, 2021 filing of proposed revisions to the Tariff to update the manner in which PJM recovers its administrative costs to better ensure both rate equity among PJM's Service Categories and revenue adequacy.

On October 1, 2021, in Docket No. ER22-26-000, PJM proposed revisions to the Tariff to update the manner in which PJM recovers its administrative costs to better ensure both rate equity among PJM's Service Categories and revenue adequacy. PJM proposes to change its administrative cost recovery from the current practice of initial charges at stated rate levels with a varying quarterly refund that reduces each customer's effective rate, to a new practice of monthly rates based on that month's costs and that month's billing determinants. PJM requests Commission action by December 1, 2021, and for the Tariff revisions to become effective January 1, 2022.

On September 30, 2021, in Docket No. AD21-11-000, PJM submitted the written comments of Christopher Pilog, Director, Planning Operations, as part of the Commission's September 30, 2021 Annual Reliability Technical Conference.

On September 29, 2021, in Docket No. ER21-2958-000, 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 first and second quarters of 2021. PJM requested the revisions be effective as of June 22, 2021.



On September 28, 2021, in Docket No. EL21-85-000, PJM submitted a Motion for Leave to Answer and Second Limited Answer in which it responded to limited points made in the September 14, 2021 Answer filed by SOO Green HVDC Link ProjectCo, LLC in its First Complaint Proceeding.

On September 27, 2021, in Docket No. AD21-13-000, PJM submitted post-technical conference comments in the Commission's proceeding addressing issues surrounding the threat to electric system reliability posed by climate change and extreme weather events.

On September 27, 2021, in Docket No. EL21-103-000, PJM submitted a motion for extension of time (10 extra days - until October 22, 2021) to answer the complaint filed by SOO Green regarding PJM's external capacity rules. PJM also requested a shortened comment period on the motion of two days, i.e., September 29, 2021.

On September 22, 2021, in Docket No. ER21-2877-000, PJM and the Market Monitor submitted a joint answer in response to the Public Utilities Commission of Ohio's protest to delay the upcoming Base Residual Auction by 55 days. In this Answer, PJM and the Market Monitor maintain that the pre-auction timelines cannot be further compressed and that delaying the auction will allow for an orderly administration of the next Base Residual Auction.

On September 20, 2021, in Docket No. EL21-2282-001, PJM submitted, on behalf of the PJM Transmission Owners, a Response to FERC Staff's Deficiency Letter issued on August 20, 2021. This proceeding was initiated by the PJM TOs filing on June 30, 2021, which seeks proposed revisions to the PJM Tariff to provide the PJM TOs with the option to elect to fund the capital cost re: Network Upgrade Funding Agreement (NUFA), for upgrades necessary to accommodate generator interconnections in order to earn a return of and on such costs.

On September 15, 2021, in Docket No. EL21-78-000, PJM submitted an answer in response to the Commission's June 17, 2021 Order to Show Cause. In this Answer, PJM maintains that the existing Tariff provisions requiring PJM to commit and dispatch resources based on a lowest total system production cost offer remains just and reasonable. In addition, PJM is proposing modifications to the Tariff so that real time operational unit limitations can be submitted through a temporary parameter exception process in lieu of retaining Real Time Values.

On September 14, 2021, in Docket No. AD21-10, the Commission held a Technical Conference regarding Energy and Ancillary Services Markets. This technical conference, held in the wake of the D.C. Circuit's granting of FERC's motion for voluntary remand of FERC's orders on PJM's reserve price formation filing, addressed issues related to Operating Reserve Demand Curves (ORDCs), and the record developed may be used to support future Commission action regarding the reforms to PJM's reserve market. Adam Keech participated in the conference.