



Duquesne Light

Our Energy...Your Power

On behalf of the PJM

Transmission Owners Agreement – Administrative Committee

Education Session on THEO, PLCs, and NSPLs

October 23, 2013

Problem Statement

- ▶ The TOA-AC has reviewed the Problem Statement regarding THEO, PLCs and NSPLs and has determined that, per Section 9 of the PJM Tariff, such matters are within the exclusive jurisdiction of the Transmission Owners.

Section 9.1

- ▶ (e) In accordance with Section 9.1(a), the following provisions of the PJM Tariff and any successors thereto shall be within the exclusive and unilateral rights to make Section 205 filings of the individual Transmission Owner to which the provisions apply: . . . (ii) Attachment M-1 (First Energy); (iii) Attachment M-2 (First Energy); (iv) Procedures for Load Determination (PSE&G); (v) Procedures for Determination of Peak Load Contributions and Hourly Load Obligations for Retail Customers (Atlantic City); and (vi) Procedures for Determination of Peak Load Contributions and Hourly Load Obligations for Retail Customers (Delmarva).

- ▶ (f) The listing of provisions in Section (d) and (e) above is not exclusive, and the failure to specify a provision of the PJM Tariff in Section 9.1(d) or (e) shall not be deemed to be an admission or agreement by the Transmission Owners that such provision or any change thereto does not relate to the establishment and recovery of the Transmission Owner's transmission revenue requirements or the transmission rate design under the PJM Tariff, or encompass any provisions of the PJM Tariff governing the recovery of transmission-related costs incurred by the Transmission Owners.

Section 9.1 continued

...

- ▶ (h) Nothing contained in the Tariff, any Service Agreement or any Network Operating Agreement shall be construed as affecting in any way the exclusive and unilateral right of the Transmission Owners to make application to the Federal Energy Regulatory Commission for any change in accordance with this Section 9.1 under Section 205 of the Federal Power Act and pursuant to the Commission's Rules and Regulations promulgated there under.

Background

- ▶ In 1999, the GPU (now FE) Companies, Delmarva Power & Light Company and Atlantic City Electric Company filed proposed tariff sheets for the OATT. The proposed sheets described the procedures for determining PLCs and hourly obligations for customers located in the respective zones.
- ▶ The filings stated that the tariff sheets do not explain each detail of the methodology, but provide general procedures with reference to the detailed methodologies maintained by the companies.
- ▶ The GPU tariff sheets were designated as Attachments M GPU and N GPU, while the Atlantic City and Delmarva tariff sheets were simply included in the PJM Tariff behind Attachment N GPU without specific designation.

Background

- ▶ In November 1999, the FERC accepted PSE&G's amendments to the PJM Tariff to address the calculation of retail loads within PSE&G's distribution zone for purposes of apportioning transmission capacity and installed capacity obligations to individual retail suppliers. PSE&G stated that its filing was consistent with a filing the FERC recently accepted by GPU that set forth an explanation of the methodology and mechanics for making similar retail-related calculations. The tariff sheets were not designated, but were included in the tariff behind Attachment N GPU.
- ▶ These provisions were subsequently renumbered as Attachments M-1 and M-2 as they currently appear in the PJM Tariff.

Background

- ▶ On the other hand, PPL, PECO and MetEd filed their Pennsylvania retail supplier (electric generation supplier or EGS) tariffs with FERC in 1998. FERC rejected the PECO and MetEd tariffs, but accepted the PPL tariff because there was no opposition. PPL, MetEd and others (but not PECO) sought rehearing, which was denied by FERC on April 12, 2000.

- ▶ For reference, the *Atlantic City* settlement was filed on October 3, 2003.

- ▶ Certain Transmission Owners have chosen to file while other Transmission Owners have not filed similar tariff sheets, as there is no requirement under the PJM Tariff to file.
- ▶ Some Transmission Owners are in states that have Retail Choice and others are not.
- ▶ Certain Transmission Owners provide their methodologies to their customers through retail tariffs, direct communications, and website postings.

Conclusion

- ▶ To the extent that any PJM Members have questions or concerns regarding the issues raised in the Problem Statement, these Members should bring their questions or concerns to the TOA-AC as the appropriate PJM committee to address the issue.
- ▶ Next TOA-AC open meeting is Wednesday, November 6.
 - Agenda with call-in information will be posted on the PJM website
 - CTOA § 8.4.4 Open Meetings
... all meetings of the Administrative Committee shall be open to entities that are signatories to the Operating Agreement and to personnel of PJM

Contact Information



▶ TOA-AC

<http://www.pjm.com/committees-and-groups/committees/toa-ac.aspx>

▶ TOA-AC Contact

Meg Sullivan (Chair)

mesullivan@duqlight.com