

140 FERC ¶ 61,102
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

August 2, 2012

American Municipal Power, Inc.
Docket No. EL12-72-000

American Municipal Power, Inc.
1111 Schrock Road
Suite 100
Columbus, OH 43229

Attention: John Bentine

Dear Mr. Bentine:

1. On June 4, 2012, American Municipal Power, Inc. (AMP) filed to request a one-time, limited waiver of a scheduling provision in PJM Interconnection, L.L.C.'s (PJM) Open Access Transmission Tariff (OATT). Specifically, AMP seeks waiver of section 204.3, which establishes the date a prospective interconnection customer must submit certain information, a deposit, and an executed System Impact Study Agreement to PJM to proceed with a request to interconnect with the PJM transmission system.¹
2. AMP seeks waiver of section 204.3 to the extent necessary to permit AMP to make the required submission within ten days after the date of this order and to have its submission deemed timely. For good cause shown, the Commission grants the requested waiver.
3. AMP states it submitted to PJM a request to interconnect AMP's 790 MW natural-gas fired combined cycle gas turbine generating project in Meigs County, Ohio to the PJM transmission system. AMP states it executed the Generation Interconnection Feasibility Study Agreement on October 29, 2010 and submitted the required deposit to PJM shortly after. On November 11, 2010, PJM countersigned the Feasibility Study Agreement. AMP states that, on January 11, 2012, PJM provided AMP with a Feasibility Study Report, which indicated that AMP would be responsible for an unspecified share of

¹ PJM Open Access Transmission Tariff, Part VI, Subpart A, Section 204.3.

\$52,000,000 in network upgrades, in addition to \$52,184,200 in network upgrades directly attributable to AMP's Meigs County generating project.

4. On February 14, 2012, the project was removed from PJM's interconnection queue due to AMP's failure to return an executed System Impact Study Agreement and security deposit by February 13, 2012, thirty days after PJM provided AMP the Feasibility Study Report, as required by section 204.3.

5. AMP asserts it missed the deadline to submit the System Impact Study Agreement because of a "timing and communication" issue that prevented AMP from timely discussing specific concerns related to the Feasibility Study Report with PJM. AMP asserts its concerns with the Feasibility Study Report complicated AMP's evaluation of whether to move forward with the interconnection process. In particular, the Feasibility Study Report included a generating facility proposed by another entity that had withdrawn from the PJM interconnection queue before PJM provided the Feasibility Study Report to AMP. AMP states it was concerned about the impact the withdrawal could have on AMP's Meigs County generating project, given that the withdrawn facility was located near AMP's project. In addition, AMP states it was concerned by the broad range of costs presented in the Feasibility Study Report to which AMP could be exposed.

6. AMP states, however, that PJM has since provided AMP public information that has allowed it to better understand its potential cost exposure. Based on that improved understanding, AMP has determined to proceed with having PJM perform a System Impact Study for the Meigs County generating project.

7. AMP states it is necessary for AMP to secure a limited waiver of section 204.3 of the PJM OATT, in order to enable PJM to proceed with a System Impact Study. In support of its request for waiver, AMP states that grant of the requested waiver will not put any projects in PJM's interconnection queue in a different position than if AMP had moved forward to the System Impact Study phase in accordance with the timeline prescribed in PJM's OATT.

8. Notice of AMP's Filing was published in the *Federal Register*, with interventions and protests due on or before June 25, 2012. PJM filed a timely motion to intervene and comments. American Electric Power Service Corporation filed a timely motion to intervene. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2012), the timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding.

9. In its comments, PJM states it does not oppose AMP's limited waiver request. PJM notes that AMP would have moved forward with the Meigs County generating project had AMP and PJM timely discussed AMP's questions about the Feasibility Study Report. In addition, PJM states that any affected party will be in no worse position had AMP moved forward with its project within the deadline. Thus, PJM states it does not

oppose reinstatement of the Meigs County generating project in PJM's interconnection queue and allowing AMP to submit its executed System Impact Study Agreement, associated information, and deposit within ten days from the date of this order.

10. The Commission has previously granted waivers of schedule requirements in RTO tariffs where: (1) the underlying error was made in good faith; (2) the waiver is of limited scope; (3) a concrete problem must be remedied; and (4) the waiver does not have undesirable consequences.²

11. The Commission finds that good cause exists to grant, to the extent necessary, the request for waiver. Up to now, AMP has submitted the Generation Interconnection Feasibility Study Agreement and posted the associated deposit in compliance with the timeline in PJM OATT. Additionally, AMP states that it did not submit the required System Impact Study Agreement to PJM by the February 13, 2012 deadline because of a "timing and communication issue" between AMP and PJM that prevented the parties from timely discussing AMP's questions about the Feasibility Study Report.

12. Second, the waiver request is of limited scope, as AMP seeks only a one-time waiver of a submission deadline that will not ultimately relieve AMP's obligation to return the System Impact Study Agreement and pay the associated deposit. Third, granting the requested waiver will prevent considerable delay in the Meigs County generating project that could occur if AMP is forced to re-start the interconnection process. In addition, AMP states that it has already invested approximately \$2.0 million in the generating project and further delay would cause economic hardship to the project. Fourth, PJM does not object to the Commission granting the waiver, given that any affected party will be in no worse position than if AMP had moved forward to the System Impact Study phase and had not been removed from queue on February 14, 2012.

13. Given the specific and unique facts presented above, the Commission finds good cause to grant AMP's request for a one-time, limited waiver and a reinstatement to its February 14, 2012 interconnection queue position.

² See *Beaver Run Solar Farm, LLC*, 139 FERC ¶ 61,146 (2012); *Hydrogen Energy Cal. LLC*, 135 FERC ¶ 61,068 (2011); *ISO New England--EnerNOC, Inc.*, 122 FERC ¶ 61,297 (2008); *Acushnet Co.*, 122 FERC ¶ 61,045 (2008); *Central Vermont Public Service Corp.*, 121 FERC ¶ 61,225 (2007); *Waterbury Generation, LLC*, 120 FERC ¶ 61,007 (2007).

14. The request for waiver is hereby granted, to the extent necessary, as discussed above.

By direction of the Commission.

Kimberly D. Bose,
Secretary.