

149 FERC ¶ 61,130  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Cheryl A. LaFleur, Chairman;  
Philip D. Moeller, Tony Clark,  
and Norman C. Bay.

Sunbury Generation LP

Docket No. ER14-2936-000

ORDER ACCEPTING NOTICE OF CANCELLATION

(Issued November 20, 2014)

1. On September 24, 2014, Sunbury Generation LP (Sunbury) filed, pursuant to section 205 of the Federal Power Act (FPA),<sup>1</sup> a Notice of Cancellation of its rate schedule for Reactive Supply and Voltage Control from Generation Sources Services (Reactive Service tariff).<sup>2</sup> Sunbury seeks an effective date of July 18, 2014, to coincide with the deactivation date of Sunbury's relevant coal-fired generating units 1, 2, 3, and 4 located in the PJM Interconnection, L.L.C. (PJM) control area. In this order, the Commission accepts Sunbury's Notice of Cancellation, effective July 18, 2014, as requested, and directs Sunbury to repay PJM any payments, with interest, Sunbury received for providing Reactive Service after July 18, 2014, as discussed below.

**I. Background**

**A. PJM Schedule 2**

2. In order to maintain transmission voltages on the PJM Transmission System within acceptable limits, PJM may direct "generation facilities and non-generation resources capable of providing" Reactive Service to produce or absorb reactive power.<sup>3</sup> Schedule 2 of the PJM Tariff requires an entity seeking to receive compensation for Reactive Service capability to obtain Commission acceptance of its rate schedule setting

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<sup>1</sup> 16 U.S.C. § 824d (2012).

<sup>2</sup> Notice Cancelling Sunbury Generation LP, Sunbury Generation LP MBR and Reactive Power Tariffs, [Reactive Power Tariff, Sunbury Generation LP Reactive Power Tariff, 2.0.0](#).

<sup>3</sup> PJM, Intra-PJM Tariffs, OATT, Schedule 2.

forth its Reactive Service revenue requirements.<sup>4</sup> Schedule 2 also provides that PJM will pay each Reactive Service resource owner an amount equal to its monthly revenue requirement, as accepted or approved by the Commission.

**B. Sunbury Generation LP**

3. Sunbury owns an approximately 436 MW electric generating facility (Sunbury Generating Station) located in Snyder County, Pennsylvania. The Sunbury Generating Station consists of four coal-fired generating units, two oil-fired combustion turbine generator peaking units, and two diesel generators. Sunbury's current annual Reactive Service revenue requirement on file with PJM for the Sunbury Generating Station is \$450,000.00.<sup>5</sup> Sunbury does not own or control any generation in PJM other than the Sunbury Generating Station.

4. In April 2014, as amended in May 2014, Sunbury provided notice to PJM that it planned to deactivate the four coal-fired generating units at the Sunbury Generating Station with a deactivation date of July 18, 2014. PJM's May 14, 2014, approval of Sunbury's deactivation request provided that:

[I]f a generating unit is receiving Schedule 2 payments for Reactive Supply and Voltage Control, the generating unit owner must notify PJM when the unit is deactivated and make a timely FERC filing to terminate the Schedule 2 rate for such generating unit. Schedule 2 payments shall terminate on the Deactivation Date.<sup>6</sup>

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<sup>4</sup> The Commission has approved revisions to the PJM Tariff to require that PJM resource owners' Reactive Service revenue requirements be posted on the PJM website, rather than being included in Schedule 2 of the PJM Tariff. *PJM Interconnection, L.L.C.*, Docket No. ER08-339-000 (Feb. 13, 2008) (delegated letter order); see PJM, *Reactive Supply and Voltage Control Revenue Requirements*, (Oct. 2014), <http://www.pjm.com/markets-and-operations/market-settlements/reactive-supply.aspx>.

<sup>5</sup> See *Sunbury Generation LP*, Docket Nos. ER02-2362-000 and ER02-2362-001 (Oct. 22, 2002) (delegated letter order) (approving Sunbury's Reactive Service tariff).

<sup>6</sup> Sunbury Generation LP September 24, 2014 Notice of Cancellation of Reactive Supply and Voltage Control Tariff, Attach. at 1 (Sunbury Filing).

## II. Sunbury's Filing

5. On September 24, 2014, Sunbury submitted the instant Notice of Cancellation to terminate its Reactive Service tariff, effective July 18, 2014.<sup>7</sup> It requested waiver of the prior notice requirements of section 35.15 of the Commission's regulations<sup>8</sup> to permit the cancellation to be effective on the same date Sunbury's coal-fired generating units 1, 2, 3, and 4 were deactivated.<sup>9</sup> Sunbury states that it is terminating its Reactive Service tariff given the minimal amount of generation associated with its oil-fired combustion turbine generator peaking units and diesel generators following deactivation of its four coal-fired units.

## III. Notice of Filing and Responsive Pleadings

6. Notice of Sunbury's Notice of Cancellation was published in the *Federal Register*, 79 Fed. Reg. 59,260 (2014), with interventions and protests due on or before October 15, 2014.

7. PJM filed a timely motion to intervene and comments.<sup>10</sup> PJM does not oppose Sunbury's requested effective date but requests that the Commission require Sunbury to

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<sup>7</sup> Sunbury previously submitted a Notice of Cancellation in Docket No. ER14-2483-000 on July 17, 2014, requesting an effective date of July 18, 2014. However, on August 20, 2014, Sunbury withdrew the Notice of Cancellation because it was not filed in the eTariff format required by Order No. 714. *Electronic Tariff Filings*, Order No. 714, FERC Stats. & Regs. ¶ 31,276, at P 63 (2008).

<sup>8</sup> 18 C.F.R. § 35.15 (2014).

<sup>9</sup> Sunbury Filing at 2.

<sup>10</sup> We note that "doc-less" interventions should not contain substantive comments. Under Commission rules, substantive comments are to be filed separately from doc-less motions to intervene. *See Filing Via the Internet*, Notice of Proposed Rulemaking, FERC Stats. & Regs. ¶ 32,621, at P 18 (2007) (explaining that the new system for filing "would require that users file protests, substantive comments, and other matters besides intervention as separate documents using the existing eFiling process"), *adopted in relevant part, Filing Via the Internet*, Order No. 703 FERC Stats. & Regs. ¶ 31,259, at P 4 (2007) ("This Final Rule implements the proposals, discussed in the [Notice of Proposed Rulemaking], to institute online forms that would permit optional 'documentless' intervention in all proceedings . . ."); Federal Energy Regulatory Commission, *Document-less Intervention 1*, available at <http://www.ferc.gov/docs-filing/efiling/document-less-intervention.pdf> ("[Doc-less intervention] is for intervention only. Substantive comments on the merits of the proceeding, protests, or other motions should be filed separately using the eFiling system.").

repay any payments it received for providing Reactive Service under Schedule 2 of the PJM Tariff after the deactivation date of the Sunbury Generating Station. PJM states that “Sunbury currently receives payments for providing [Reactive Service] under Schedule 2 of the PJM OATT.”

8. Pursuant to Rule 214 of the Commission’s Rules of Practice and Procedure,<sup>11</sup> PJM’s timely, unopposed motion to intervene serves to make it a party to this proceeding.

#### **IV. Commission Determination**

9. The Commission accepts Sunbury’s Notice of Cancellation of its Reactive Service tariff, effective July 18, 2014, as requested. Due to the deactivation of Sunbury’s four coal-fired generating units, these units are no longer capable of providing Reactive Service in the PJM control area. Therefore, it is no longer appropriate for Sunbury to have a Reactive Service tariff associated with these units on file.

10. We will waive the Commission’s prior notice requirements, as requested, to allow the effective date for the Notice of Cancellation to coincide with the deactivation of its generating units.<sup>12</sup> Further, given that the Sunbury Generating Station was deactivated on July 18, 2014, and therefore unable to provide Reactive Service as of that date, we will require Sunbury to repay to PJM any Reactive Service payments received from PJM after the effective date. PJM is also entitled to receive interest on all Reactive Service payments paid to Sunbury after the effective date for the Notice of Cancellation, at the FERC interest rate.<sup>13</sup> Sunbury must submit a refund report to the Commission within 30 days of issuing such refunds.

#### **The Commission orders:**

(A) Sunbury’s Notice of Cancellation is hereby accepted, effective July 18, 2014, as discussed in the body of this order.

(B) Sunbury’s request for waiver of the prior notice requirement is hereby granted, as discussed in the body of this order.

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<sup>11</sup> 18 C.F.R. § 385.214 (2014).

<sup>12</sup> See 18 C.F.R. § 35.15 (2014) (“For good cause shown, the Commission may by order provide that the notice of cancellation or termination shall be effective as of a date prior to the date of filing or prior to the date the filing would become effective in accordance with these rules.”).

<sup>13</sup> 18 C.F.R. § 35.19a (2014); Federal Energy Regulatory Commission, *Interest Rates* (Sept. 2014), <https://www.ferc.gov/enforcement/acct-matts/interest-rates.asp>.

(C) Sunbury is hereby directed to repay to PJM any Reactive Service payments received from PJM, with interest, within 30 days of the date of this order, as discussed in the body of this order.

(D) Sunbury is hereby directed to, within 30 days of making such refunds, submit a refund report, as discussed in the body of this order.

By the Commission.

( S E A L )

Kimberly D. Bose,  
Secretary.