

143 FERC ¶ 61,002
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

April 1, 2013

In Reply Refer To:
PJM Interconnection, L.L.C.
Docket No. ER13-347-001

PJM Interconnection, L.L.C.
Attention: Jacquelynn Hugee
955 Jefferson Avenue
Norristown, PA 19403

Dear Ms. Hugee:

1. On November 9, 2012, PJM Interconnection, L.L.C. (PJM) filed revisions to the Open Access Transmission Tariff (Tariff) and the Amended and Restated Operating Agreement (Operating Agreement) (November 9, 2012 Filing). PJM proposed to change its market rules to use a residual zone price rather than the zone price, as the default price for load that has not elected to settle at a nodal price. The November 9, 2012 Filing was accepted, subject to condition, to be effective January 8, 2013. PJM was required to make a compliance filing with revisions to its Tariff and Operating Agreement that included a description for load serving entities (LSEs) with non-nodal load of (1) how the LSE's load is to be distributed to the buses in its zone for purposes of calculating its charge, and (2) the mechanics of how the load distributed to each bus is to be used to calculate the charges to the LSE.

2. On January 30, 2013, PJM filed revision to its Tariff and Operating Agreement (January 30, 2013 Filing). Specifically, PJM proposes revisions to Sections 5.1.3(e) and 5.4.3(e) of Attachment K-Appendix of the Tariff and the identical provisions of Schedule 1 of the Operating Agreement to specify that PJM utilizes information submitted into its internal energy scheduling tool by LSEs and electric distribution companies (EDCs) to determine the aggregate at which load is to be priced for LSEs that have load contracts with EDCs, how load is priced for LSEs who won bids to procure load from EDCs that hold Provider of Last Resort (POLR) auctions, and how megawatts of load are assigned to LSEs in EDC territories during the settlements process. PJM requests that the Commission issue its order accepting the proposed revisions, with an effective date of April 1, 2013.

3. Notice of the January 30, 2013 Filing was published in the *Federal Register*, 78 Fed. Reg. 9902 (2013), with interventions and protests due on or before February 20, 2013. No protests or adverse comments were filed.

4. In the proposed revisions, PJM uses the term “aggregate,” however, it is not clear how the zonal aggregate is determined. PJM should clarify in its tariff revisions whether zonal aggregate is intended as an “Energy Settlement Area.”¹ Further, the description of how an EDC specifies the distribution of MWh among its buses (and thus, its billing determinants for energy) in the Day-ahead Market is contained in a PJM manual.² To avoid confusion, this description should be included in the Tariff and Operating Agreement. Finally, there is no similar provision in either the manuals or the Tariff for how an EDC specifies the distribution of MWh among its buses in the Real-time Market. To avoid confusion, this description should also be included in the Tariff and Operating Agreement.

5. We will accept the January 30, 2013 Filing, to be effective January 8, 2013,³ to coincide with the effective date for the tariff provisions in the November 9, 2012 Filing, subject to clarification and a compliance filing within 30 days from the date of this order, to be effective January 8, 2013.

The Commission orders:

PJM’s January 30, 2013 Filing is accepted, subject to a compliance filing to be effective January 8, 2013, as discussed in the body of this order.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

¹ The term aggregate is defined in PJM Manual 35 as the “Combination of buses or bus prices.” The term “Energy Settlement Area,” which is defined in Tariff Section 1.11A.01 as “[t]he bus or distribution of busses [sic] that represents the physical location of Network Load and by which the obligations of the Network Customer to PJM are settled.”

² See Manual 11 at Section 2.3.2.

³ Although PJM requested that the proposed revisions become effective April 1, 2013, the November 9, 2012 Filing was accepted to be effective January 8, 2013.