

155 FERC ¶ 61,021
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

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

Cambria CoGen Company

Docket No. ER16-1100-000

ORDER GRANTING WAIVER

(Issued April 8, 2016)

1. On March 7, 2016, Cambria CoGen Company (Cambria) submitted, pursuant to Rule 207 of the Commission's Rules of Practice and Procedure,¹ a request for a limited, temporary waiver of the deadline to submit unit-specific Market Seller Offer Cap² (MSOC) data for the upcoming Base Residual Auction under the Reliability Pricing Model, pursuant to PJM Interconnection, L.L.C.'s (PJM) Open Access Transmission Tariff (Tariff), for the 2019/2020 delivery year.³ As discussed below, we grant waiver as requested.

I. Background

2. PJM secures capacity commitments under the Reliability Pricing Model through a Base Residual Auction (BRA), held three years before a delivery year.⁴ Attachment DD of the Tariff sets forth the terms and conditions governing the Reliability Pricing Model.

¹ 18 C.F.R. § 385.207 (2015).

² The Market Seller Offer Cap is the maximum offer price applicable to certain Market Sellers under certain conditions, as determined in accordance with Section 6 of Attachment DD and Section II.E of Attachment M – Appendix of the Tariff. PJM, Intra-PJM Tariffs, OATT, Attachment DD.2, Definitions (24.0.0), § 2.41C.

³ Capitalized terms used but not defined herein are intended to have the meaning given to such terms in the Tariff.

⁴ A delivery year is a twelve-month period beginning on June 1 and ending on May 31.

Pursuant to Section 6.4(b) of Attachment DD of the Tariff, Existing Generation Capacity Resources must provide data and documentation establishing the level of the MSOC applicable to the resource no later than one hundred twenty (120) days prior to the commencement of the offer period for the applicable auction.⁵

3. Cambria owns and operates an 88 MW waste coal-fired qualifying small power production facility that is located within PJM's Pennsylvania Electric Company (PENELEC) zone.

4. Cambria explains that potential participants in the BRA for the 2019/2020 delivery year were required to submit unit-specific MSOC data to PJM and PJM's Market Monitoring Unit (MMU) no later than January 12, 2016.⁶ On February 9, 2016, PJM circulated revised default PENELEC zone MSOC values for the 2019/2020 delivery year that used a corrected Balancing Ratio. PJM's revised values were 4.7 percent lower than those previously posted.⁷ Cambria states that, in light of the revised values, it determined that it must submit unit-specific MSOC data to facilitate its reasoned participation in the BRA.⁸ Cambria explains that, in February 2016, it engaged in discussions with PJM staff about the default MSOC values for the PENELEC zone, and during the course of those discussions determined that the revised default MSOC values for the 2019/2020 delivery year will require Cambria to submit offers greater than the default MSOC in order to assure just and reasonable cost recovery.⁹

II. Waiver Request

5. Cambria requests an extension of the deadline to submit its unit-specific MSOC data, from January 12, 2016, to March 11, 2016. Cambria further requests that the Commission issue an order as soon as possible.¹⁰

⁵ PJM, Intra-PJM Tariffs, OATT, Attachment DD.6, Market Power Mitigation (11.0.0), § 6.4; *see also id.* § 6.7 (describing the data submission).

⁶ Filing at 2-3 (citing PJM, Intra-PJM Tariffs, OATT, Attachment DD.6, Market Power Mitigation (11.0.0), §§ 6.7–6.8).

⁷ Filing at 3.

⁸ *Id.*

⁹ *Id.*

¹⁰ *Id.* at 1.

6. Cambria states that good cause exists to grant the requested waiver because (i) the underlying circumstances and decisions giving rise to the waiver request were made in good faith, (ii) the waiver is limited in scope, (iii) a concrete problem needs to be remedied, and (iv) the waiver will not have undesirable consequences.¹¹ Cambria asserts that it filed its waiver request as promptly as circumstances warranted and after consultation with PJM.¹² Cambria explains that it seeks only limited waiver of the data-submission deadline and is not seeking waiver of the requirement to provide sufficient documentation to support a unit-specific cost justification. Cambria asserts that the requested waiver will not have undesirable consequences, explaining that sell offers for the upcoming 2019/2020 BRA are not due until May 11, 2016; the waiver request only relates to data for the Cambria facility; and the waiver request will not adversely affect the ability of the PJM or the MMU to administer the upcoming BRA.¹³

III. Notice of Filing and Responsive Pleadings

7. Notice of Cambria's filing was published in the *Federal Register*, 81 Fed. Reg. 13,783 (2016), with interventions and protests due on or before March 21, 2016. None was filed.

IV. Commission Determination

8. The Commission has previously granted requests for waiver of a tariff requirement where: (1) the applicant is unable to comply with the tariff provision at issue in good faith; (2) the waiver is of limited scope; (3) the waiver addresses a concrete problem; and (4) the waiver does not have undesirable consequences, such as harming third parties.¹⁴

9. We find that Cambria's waiver request satisfies the criteria the Commission has applied in granting waiver. We find that Cambria acted in good faith by filing the waiver request as soon as circumstances warranted in light of the revised MSOC values and after consultation with PJM. We also find that Cambria's requested waiver is limited in scope because Cambria requests a one-time waiver of the submission deadline for its unit-

¹¹ *Id.*

¹² *Id.* at 4.

¹³ *Id.*

¹⁴ *E.g., Reliant Energy Seward, LLC*, 154 FERC ¶ 61,017, at P 12 (2016); *Robinson Power Co., LLC*, 150 FERC ¶ 61,123, at P 11 (2015).

specific MSOC data. In addition, we find that the requested waiver addresses a concrete problem because it will allow Cambria to submit unit-specific MSOC data in light of PJM's revised MSOC values for the upcoming BRA. Finally, we find that granting the requested waiver will not lead to undesirable consequences because it will not adversely affect the ability of PJM and the MMU to administer the BRA for the 2019/2020 delivery year; moreover, no parties opposed the request.

10. Accordingly, we grant Cambria's request for a limited, temporary extension of the deadline to submit its unit-specific MSOC data.

The Commission orders:

Cambria's request for a limited, temporary waiver is hereby granted, as discussed in the body of this order.

By the Commission.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.