

167 FERC ¶ 61,233
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Neil Chatterjee, Chairman;
Cheryl A. LaFleur and Richard Glick.

PJM Interconnection, L.L.C.

Docket Nos. ER18-614-003
ER18-614-004
ER18-614-005

Monongahela Power Company

EL18-173-001

Potomac Edison Company

West Penn Power Company

AEP Indiana Michigan Transmission Company, Inc.

AEP Kentucky Transmission Company, Inc.

AEP Ohio Transmission Company, Inc.

AEP West Virginia Transmission Company, Inc.

Appalachian Power Company

Indiana Michigan Power Company

Kentucky Power Company

Kingsport Power Company

Ohio Power Company

Wheeling Power Company

Commonwealth Edison Company

Commonwealth Edison Company of Indiana, Inc.

Dayton Power and Light Company

Virginia Electric and Power Company

Public Service Electric and Gas Company

PECO Energy Company

PPL Electric Utilities Corporation

Baltimore Gas and Electric Company

Jersey Central Power & Light Company

Potomac Electric Power Company

Atlantic City Electric Company

Delmarva Power & Light Company

UGI Utilities Inc.

Allegheny Electric Cooperative, Inc.

CED Rock Springs, LLC

Old Dominion Electric Cooperative

Rockland Electric Company

Duquesne Light Company

Neptune Regional Transmission System, LLC
Trans-Allegheny Interstate Line Company
Linden VFT, LLC
American Transmission Systems, Incorporated
City of Cleveland, Department of Public Utilities,
Division of Cleveland Public Power
Duke Energy Ohio, Inc.
Duke Energy Kentucky, Inc.
City of Hamilton, OH
Hudson Transmission Partners, LLC
East Kentucky Power Cooperative, Inc.
City of Rochelle
ITC Interconnection LLC
Mid-Atlantic Interstate Transmission, LLC
Southern Maryland Electric Cooperative, Inc.
Ohio Valley Electric Corporation

ORDER DENYING REHEARING AND ACCEPTING COMPLIANCE FILINGS

(Issued June 20, 2019))

1. On July 2, 2018, the Commission accepted,¹ in part, amendments filed by PJM Interconnection, L.L.C. (PJM) to Schedule 12-Appendix A of the PJM Open Access Transmission Tariff (Tariff) to incorporate cost responsibility assignments for 45 new transmission projects filed by PJM, in accordance with Schedule 12 of the Tariff and pursuant to Federal Power Act (FPA) section 205,² to be effective April 5, 2018 (PJM Tariff Filing). As relevant to the issues in this order, the Commission rejected the cost responsibility assignments for the first Targeted Market Efficiency Projects (TMEPs) between PJM and Midcontinent Independent System Operator, Inc. (MISO) under the PJM-MISO Joint Operating Agreement (PJM-MISO JOA). The Commission found that PJM improperly applied its Tariff in not allocating costs to certain Merchant Transmission Facility companies. In addition, in the July 2018 Order, the Commission instituted a proceeding pursuant to FPA section 206,³ to require the PJM Transmission

¹ *PJM Interconnection, L.L.C.*, 164 FERC ¶ 61,002 (2018) (July 2018 Order).

² 16 U.S.C. § 824d (2012).

³ 16 U.S.C. § 824e. The FPA section 206 proceeding was docketed as EL18-173-000.

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Owners⁴ to refile Schedule 12 of the PJM Tariff to clarify the Tariff provision relating to TMEPs.⁵ The New Jersey Board of Public Utilities (NJBPU), Linden VFT, LLC (Linden), and Hudson Transmission Partners (Hudson) together with New York Power Authority (NYPA) requested rehearing of the July 2018 Order.⁶

2. PJM and the PJM Transmission Owners each submitted a compliance filing in response to the Commission's determinations in the July 2018 Order relating to TMEPs. As required in the July 2018 Order, on July 31, 2018, PJM refiled Schedule 12-Appendix A of the PJM Tariff to restate the allocation of costs in accordance with the July 2018 Order. On August 1, 2018, the PJM Transmission Owners responded to the section 206 proceeding with revised Tariff provisions to clarify the TMEP Tariff provision. Linden protested the compliance filings by both PJM and the PJM Transmission Owners.

3. In this order, we deny the requests for rehearing and accept the compliance filings of PJM and the PJM Transmission Owners.

I. Background

4. PJM files cost responsibility assignments for transmission projects that the PJM Board of Managers approves as part of PJM's Regional Transmission Expansion Plan (RTEP) in accordance with Schedule 12 of PJM's Tariff and Schedule 6 of the Amended and Restated Operating Agreement of PJM (Operating Agreement).⁷ Schedule 12 of the Tariff establishes Transmission Enhancement Charges for "[o]ne or more of the Transmission Owners [that] may be designated to construct and own and/or finance Required Transmission Enhancements by (1) the RTEP periodically developed pursuant

⁴ The PJM Transmission Owners are listed in the caption of the order.

⁵ The PJM Transmission Owners, not PJM, are responsible for filing Tariff provisions establishing a cost allocation method. *See Atlantic City Electric Company, et al. v. FERC*, 295 F.3d 1 (D.C. Cir. 2002).

⁶ Linden and Hudson/NYPA also filed their requests for rehearing in Docket No. EL18-173-000.

⁷ In accordance with the Tariff and the Operating Agreement, PJM is required to make a filing with the Commission under FPA section 205 that includes, among other things: (1) expansion or enhancement projects the PJM Board approved for inclusion in the RTEP; (2) estimated costs of the projects; (3) entities responsible for paying the costs of the projects; and (4) the entity PJM has designated to develop the projects. *See Operating Agreement, Schedule 6, Section 1.6 (b) and PJM Tariff, Schedule 12, Section (b)(viii).*

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to Operating Agreement, Schedule 6 or (2) any joint planning or coordination agreement between PJM and another region or transmission planning authority set forth in Tariff, Schedule 12-Appendix B.”⁸ In developing the RTEP, PJM identifies transmission projects to address different criteria, including PJM planning procedures, North American Electric Reliability Corporation (NERC) Reliability Standards, Regional Entity reliability principles and standards,⁹ and individual transmission owner Form No. 715 local planning criteria.¹⁰ Types of Reliability Projects¹¹ identified in the RTEP include

⁸ Required Transmission Enhancements are defined as “enhancements and expansions of the Transmission System that (1) a RTEP developed pursuant to Schedule 6 of the Operating Agreement or (2) any joint planning or coordination agreement between PJM and another region or transmission planning authority set forth in Tariff, Schedule 12-Appendix B (“Appendix B Agreement”) designates one or more of the Transmission Owner(s) to construct and own or finance.” *See* Tariff Definitions - R - S, Tariff Definitions - R - S, 13.0.0. Transmission Enhancement Charges are established to recover the revenue requirement with respect to a Required Transmission Enhancement. *See* PJM Tariff, Schedule 12, Section (a)(i).

⁹ As established by Reliability First Corporation, Southeastern Electric Reliability Council, and other applicable Regional Entities. *See* PJM Tariff, Operating Agreement, Schedule 6, Section 1.2(b) and Section 1.2(d) (Conformity with NERC and Other Applicable Reliability Criteria) (2.0.0).

¹⁰ The Commission accepted a PJM Transmission Owner Tariff proposed revision to allocate 100 percent of the costs for Required Transmission Enhancements that are included in the RTEP solely to address individual transmission owner Form No. 715 local planning criteria to the zone of the individual transmission owner whose Form No. 715 local planning criteria underlie each project. *See PJM Interconnection, L.L.C.*, 154 FERC ¶ 61,096, *order on reh’g*, 157 FERC ¶ 61,192 (2016). *See Old Dominion Elec. Coop. v. FERC*, 898 F.3d 1254 (D.C. Cir. 2018) (setting aside the Commission’s order accepting the PJM Transmission Owners’ proposed Tariff revisions to allocate the costs of projects identified in the RTEP only to address individual transmission owner Form No. 715 local planning criteria 100 percent to the zone of that transmission owner, and remanding for further proceedings).

¹¹ Reliability Projects are included in the RTEP to address one or more reliability violations or to address operational adequacy and performance issues. *See* PJM Tariff, Schedule 12, Section (b)(i)(A)(2)(a).

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Regional Facilities¹² (which, as a general matter, are AC facilities that are single-circuit 500 kV or double-circuit 345 kV and above), Necessary Lower Voltage Facilities,¹³ and Lower Voltage Facilities.¹⁴

5. PJM utilizes a hybrid cost allocation method, which the Commission found complies with Order No. 1000,¹⁵ for Regional Facilities and Necessary Lower Voltage Facilities that address a reliability need.¹⁶ Under this method, PJM allocates 50 percent of the costs of Regional Facilities or Necessary Lower Voltage Facilities on a load-ratio share basis and the other 50 percent based on the solution-based distribution factor

¹² Regional Facilities are defined as Required Transmission Enhancements included in the RTEP that are transmission facilities that: (a) are AC facilities that operate at or above 500 kV; (b) are double-circuit AC facilities that operate at or above 345 kV; (c) are AC or DC shunt reactive resources connected to a facility from (a) or (b); or (d) are DC facilities that meet the necessary criteria as described in Section (b)(i)(D). PJM Tariff, Schedule 12, Section (b)(i) (Regional Facilities and Necessary Lower Voltage Facilities) (6.1.0).

¹³ Necessary Lower Voltage Facilities are defined as Required Transmission Enhancements included in the RTEP that are lower voltage facilities that must be constructed or reinforced to support new Regional Facilities. PJM Tariff, Schedule 12, Section (b)(i) (Regional Facilities and Necessary Lower Voltage Facilities) (6.1.0).

¹⁴ Lower Voltage Facilities are defined as Required Transmission Enhancements that: (a) are not Regional Facilities; and (b) are not “Necessary Lower Voltage Facilities.” PJM Tariff, Schedule 12, Section (b)(ii) (Lower Voltage Facilities) (6.1.0).

¹⁵ See *Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities*, Order No. 1000, 136 FERC ¶ 61,051 (2011), *order on reh’g*, Order No. 1000-A, 139 FERC ¶ 61,132, *order on reh’g and clarification*, Order No. 1000-B, 141 FERC ¶ 61,044 (2012), *aff’d sub nom. S.C. Pub. Serv. Auth. v. FERC*, 762 F.3d 41 (D.C. Cir. 2014) (*S.C. Pub. Serv. Auth. v. FERC*). See also *PJM Interconnection, L.L.C.*, 142 FERC ¶ 61,214 (2013), *order on reh’g and compliance*, 147 FERC ¶ 61,128 (2014), *order on reh’g and compliance*, 150 FERC ¶ 61,038, and *order on reh’g and compliance*, 151 FERC ¶ 61,250 (2015).

¹⁶ PJM identifies reliability transmission needs and economic constraints that result from the incorporation of public policy requirements into its sensitivity analyses, and allocates the costs of the solutions to such transmission needs in accordance with the type of benefits they provide. See *PJM Interconnection, L.L.C.*, 142 FERC ¶ 61,214 at P 441. See also PJM Tariff, Schedule 12, Section (b)(v) Economic Projects (assigning cost responsibility for Economic Projects).

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(DFAX) method. PJM allocates all of the costs of Lower Voltage Facilities using the solution-based DFAX method.

6. Schedule 12 of the PJM Tariff also includes provisions for the assignment of cost responsibility for Required Transmission Enhancements constructed as TMEPs under the PJM-MISO JOA Coordinated System Plan.¹⁷ Specifically, Schedule 12, Section (b)(xvii) provides, in part:

Notwithstanding Sections (b)(i), (b)(ii), (b)(iv), (b)(v) and (b)(vi) of this Schedule 12, cost responsibility for the costs of a Required Transmission Enhancement that is included in the Regional Transmission Expansion Plan because it is a Targeted Market Efficiency Project (“TMEP”) identified in the Coordinated System Plan periodically developed pursuant to the Joint Operating Agreement Between the Midcontinent Independent Transmission System Operator, Inc. and PJM Interconnection, L.L.C. (“PJM-MISO JOA”) and assigned to PJM pursuant to PJM-MISO JOA, Section 9.4.4.2.5, *shall be assigned among Zones and Merchant Transmission Facilities in accordance with this Section (b)(xvii)* (emphasis added).¹⁸

¹⁷ *PJM Interconnection, L.L.C. et al.*, 161 FERC ¶ 61,005, at PP 1, 5 (2017). TMEPs are a category of interregional transmission projects in MISO and PJM that are intended to address historical congestion along the PJM-MISO seam that MISO’s or PJM’s regional transmission planning process or their joint interregional transmission coordination process would not otherwise address. To qualify as a TMEP, a transmission project must (1) be evaluated as part of a Coordinated System Plan or joint study process under the PJM-MISO Joint Operating Agreement and be demonstrated to have an expectation for substantial relief of identified historical market efficiency congestion issues, (2) have an estimated in-service date by the third summer peak season from the year in which the project is approved, (3) have an estimated installed cost (in study year dollars) of less than \$20 million, (4) have a four-year payback period in terms of expected future congestion relief (i.e., the cost of the project cannot exceed the expected congestion savings over its first four years in operation), and (5) be recommended by MISO and PJM as a TMEP and approved by their Board of Directors. *See* PJM-MISO JOA, § 9.4.4.1.5.4.

¹⁸ Section (b) of Schedule 12 of the PJM Tariff provides for the designation of customers subject to Transmission Enhancement Charges. Section (b)(i) provides for the assignment of cost responsibility for Regional Facilities and Necessary Lower Voltage Facilities. Section (b)(ii) provides for the assignment of cost responsibility for Lower Voltage Facilities. Section (b)(iv) provides for the assignment of cost responsibility for spare parts, replacement equipment and circuit breakers. Section (b)(v) provides for the *(continued ...)*

Schedule 12, Section (b)(xvii) further provides, in part:

Cost responsibility shall be assigned based on each Zone's and Merchant Transmission Facility's pro rata share of the sum of the net Transmission Congestion Charges paid by Market Buyers only of the Zones and Merchant Transmission Facilities in which Market Buyers experienced net Transmission Congestion Charges.¹⁹

7. On January 5, 2018, as amended on January 9, 2018, PJM submitted the revised Tariff records to amend Schedule 12-Appendix A of its Tariff to incorporate cost responsibility assignments for 45 new transmission projects (January 9, 2018 Filing). These projects included the first TMEPs between PJM and MISO under the PJM-MISO JOA. PJM did not allocate any of the costs of the TMEPs to the Merchant Transmission Facilities owned by Linden or Hudson. The PJM Transmission Owners protested that PJM did not allocate any costs for the TMEPs to Linden and Hudson.

8. The Public Power Association of New Jersey (PPANJ) protested the inclusion of cost responsibility assignments for two Public Service Electric & Gas transmission projects, Cedar-Grove-Jackson Rd. (b2956) and VFT-Warinanco-Aldene 230 kV circuit (b2955), in Schedule 12-Appendix A, challenging the "immediate need" for the two projects following Linden's and Hudson's conversion of their Firm Transmission Withdrawal Rights to non-Firm Transmission Withdrawal Rights.

9. The NJBPU filed an answer supporting the protests of PJM Transmission Owners and PPANJ.

10. In support of the filing, PJM stated that Schedule 12, Section (b)(x)(B)(2) directs it to base the collection of Transmission Enhancement Charges associated with Required

assignment of cost responsibility for Economic Projects. Section (b)(vi) provides for the assignment of cost responsibility for Required Transmission Enhancement costing less than \$5 million.

¹⁹ Market Buyer is defined as a Member that has met reasonable creditworthiness standards established by the Office of the Interconnection and that is otherwise able to make purchases in the PJM Interchange Energy Market. See PJM Operating Agreement, M-N, OA Definitions M - N, 9.0.0. Transmission Congestion Charges are defined as a charge attributable to the increased cost of energy delivered at a given load bus when the transmission system serving that load bus is operating under constrained conditions, or as necessary to provide energy for third-party transmission losses which shall be calculated and allocated as specified in Operating Agreement, Schedule 1, Section 5.1 and the parallel provisions of Tariff, Attachment K-Appendix, Section 5.1.

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Transmission Enhancements from a Merchant Transmission Facility based “on the actual Firm Transmission Withdrawal Rights that have been awarded to the Merchant Transmission Facility[,]” as specified in the Merchant Transmission Facility’s Interconnection Service Agreement.²⁰ PJM contended that because Linden’s and Hudson’s respective Interconnection Service Agreements no longer awarded them Firm Transmission Withdrawal Rights, Section (b)(x)(B)(2) of PJM’s Tariff no longer applied to Linden and Hudson.²¹

II. July 2018 Order

11. In the July 2018 Order, the Commission accepted the proposed Tariff revisions, with the exception of the proposed cost responsibility assignments for TMEPs b2971, b2973, b2974, and b2975, which it rejected as unjust and unreasonable and unduly discriminatory.²²

12. In rejecting the proposed assignment of cost responsibility for TMEPs b2971, b2973, b2974, and b2975, the Commission found that, although Schedule 12, Section (b)(xvii) is ambiguous, the most reasonable interpretation of this provision is that it allocates costs based on whether transmission congestion charges are incurred in Merchant Transmission Facility zones, not on whether the Merchant Transmission Facility holds Firm Transmission Withdrawal Rights.²³ Schedule 12, Section (b)(xvii) provides that “cost responsibility” for TMEPs “shall be assigned among Zones and Merchant Transmission Facilities in *accordance with this Section (b)(xvii)*” (emphasis added). The Commission further found that Schedule 12, Section (b)(xvii) then determines that cost responsibility “shall be assigned based on each Zone’s and Merchant Transmission Facility’s pro rata share of the sum of the net Transmission Congestion Charges paid by Market Buyers only of the Zones and Merchant Transmission Facilities in which Market Buyers experienced net Transmission Congestion Charges.” The

²⁰ PJM May 3, 2018 Filing at 3.

²¹ See *PJM Interconnection, L.L.C.*, 162 FERC ¶ 61,201 (2018) (accepting proposed revisions to Linden’s Interconnection Service Agreement); and *PJM Interconnection, L.L.C.*, 162 FERC ¶ 61,200 (2018) (accepting proposed revisions to Hudson’s Interconnection Service Agreement).

²² The Commission accepted the proposed cost responsibility assignments for project b2972, a TMEP for which Linden and Hudson were not allocated costs because Linden and Hudson were not shown to experience congestion benefits from this project in the TMEP Study. Accordingly, the Commission found that PJM had correctly allocated the costs of project b2972. July 2018 Order, 164 FERC ¶ 61,002 at P 29, 43.

²³ *Id.* P 38.

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Commission found that Transmission Congestion Charges are incurred in the Zones and by Merchant Transmission Facilities in which Market Buyers experienced net Transmission Congestion Charges.²⁴

13. The Commission, therefore, reasoned that assignment of cost responsibility for TMEPs is made independently based on the terms of Schedule 12, Section (b)(xvii) without regard to Firm Transmission Withdrawal Rights. The Commission concluded that customers of Merchant Transmission Facilities without Firm Transmission Withdrawal Rights still receive benefits from TMEPs in the form of lower congestion costs, and the most reasonable interpretation of the PJM Tariff is to allocate within PJM its share of the costs of TMEPs to those Zones and Merchant Transmission Facilities in PJM that are shown to have experienced net positive congestion over the two historical years, as determined by a TMEP study conducted by MISO and PJM.²⁵

14. To reflect the Commission's interpretation of the Tariff, and to ensure that the Tariff language would be clear in the future, the Commission instituted a proceeding pursuant to FPA section 206 in Docket No. EL18-173-000, and directed the PJM Transmission Owners either to clarify the language of Schedule 12 as specified, or to show cause as to why Schedule 12 should not be revised.²⁶

15. With respect to the concerns raised by PPANJ and the NJBPU, the Commission found that PJM re-evaluated the need for projects b2955 and b2956,²⁷ and despite the close proximity of these projects to Linden and Hudson, the study results continued to show that these transmission projects are still needed.²⁸ In support, the Commission noted that PJM explained that transmission injections by the Merchant Transmission

²⁴ July 2018 Order, 164 FERC ¶ 61,002 at P 31.

²⁵ *Id.* P 41.

²⁶ *Id.* P 48.

²⁷ PPANJ protested the inclusion of cost responsibility assignments for two Public Service Electric & Gas transmission projects, Cedar-Grove-Jackson Rd. (b2956) and VFT-Warinanco-Aldene 230 kV circuit (b2955), in Schedule 12-Appendix A because the "immediate need" for the two projects is in doubt following Linden's and Hudson's conversion of their Firm Transmission Withdrawal Rights to non-Firm Transmission Withdrawal Rights.

²⁸ *Id.* P 45.

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Facilities, not withdrawals, contributed to the need for transmission projects b2955 and b2956.²⁹

III. Rehearing Requests

16. Linden and Hudson/NYPA contend that the Commission erred by finding that Merchant Transmission Facilities that have Firm or Non-Firm Transmission Withdrawal Rights are subject to cost allocations for TMEPs. Linden and Hudson/NYPA argue that Section (b)(x)(B)(2) of Schedule 12 expressly limits all cost allocations to Merchant Transmission Facilities based on their actual Firm Transmission Withdrawal Rights and contend that the Commission erred by holding that this provision applies only to the cost allocation for Reliability Projects.

17. Linden and Hudson/NYPA contend that Section (b)(x)(B)(2) of Schedule 12 relates to the collection of Transmission Enhancement Charges associated with Required Transmission Enhancements from a Merchant Transmission Facility and expressly provides that Transmission Enhancement Charges to a Merchant Transmission Facility are “not to exceed the Firm Transmission Withdrawal Rights specified in the applicable Interconnection Service Agreement.” Linden and Hudson/NYPA argue that TMEPs are a subset of Required Transmission Enhancements and, therefore, the costs of TMEPs are simply one category of Transmission Enhancement Charges.

18. Linden and Hudson/NYPA further contend that, given the plain language of the provisions in Schedule 12, no extrinsic evidence of the PJM Transmission Owners’ intent is necessary. Linden argues that even if it was appropriate to examine the PJM Transmission Owners’ intent in drafting the language contained in Section (b)(xvii) of Schedule 12, the PJM Transmission Owners’ filing in Docket No. ER17-1406-000 that the Commission relied on does not support the Commission’s conclusions. Because there is no ambiguity, Linden and Hudson/NYPA maintain that the Commission further erred by establishing an FPA section 206 proceeding to clarify the Tariff consistent with the Commission’s interpretation and seek rehearing of the decision to establish this proceeding. In any event, Linden and Hudson/NYPA maintain that such revised Tariff provision should only be implemented on a prospective basis.

²⁹ *Id.*

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19. Linden also argues that the Commission's directive for PJM to refile the cost responsibility assignments for these TMEPs in accordance with the Commission's interpretation in the July 2018 Order effectively modified the PJM Tariff Filing to transform it into an entirely new rate of the Commission's own making, contrary to the holding in *NRG*.³⁰

20. The NJBPU contends that the Commission erred in accepting the assignment of cost responsibility for projects b2955 and b2956. NJBPU contends that, with the conversion of Linden's and Hudson's Firm Transmission Withdrawal Rights to non-Firm Transmission Withdrawal Rights, the re-evaluation of the need for these projects was not the result of a transparent planning process. Specifically, NJBPU contends that the need for the projects b2955 and b2956 based on transmission injections by the Merchant Transmission Facilities, not withdrawals, was not vetted through the RTEP process with an opportunity for meaningful participation. The NJBPU further asserts that the timing of Generation Deliverability studies to support Linden's request for firm, point-to-point transmission service and the Generation Deliverability study performed for the RTEP process absolved Linden of its obligation to fund transmission upgrades. Linden maintains that the timing of the respective analysis led to a failure to envision the impact of Linden's requests, which is the ability to retain firm transmission service, despite upgrades immediately required in the area with no cost to the party seeking firm service. NJBPU contends that this has resulted in free ridership and undue discrimination for New Jersey ratepayers.

IV. Notice of Docket No. EL18-173-000

21. Notice of the FPA section 206 proceeding was published in the *Federal Register*, 83 Fed. Reg. 32,119 (2018), with interventions and protests due within 21 days of the July 2018 Order.

22. Notice of intervention was filed by the NJBPU, and timely motions to intervene were filed by NYPA, FirstEnergy Service Corporation, American Electric Power Service Corporation, Old Dominion Electric Cooperative, and Delaware Municipal Electric Corporation.

V. Rehearing Determination

23. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2018), the timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding.

³⁰ Linden Rehearing Request at 13 (citing *NRG Power Mktg., LLC v. FERC*, 862 F.3d 108, 114-15 (D.C. Cir. 2017) (*NRG*)).

24. As discussed below, we deny the requests for rehearing of Linden and Hudson/NYPA, and the NJBPU.

A. Linden and Hudson/NYPA

25. In rejecting the proposed cost responsibility assignments for TMEPs b2971, b2973, b2974, and b2975 because costs were not assigned to Linden and Hudson by PJM,³¹ the Commission relied on, and reasonably interpreted, the specific Tariff provision addressing the assignment of cost responsibility for Required Transmission Enhancements constructed as TMEPs. That Tariff provision provides that TMEPs assigned to PJM pursuant to the PJM-MISO JOA “shall be assigned among Zones and Merchant Transmission Facilities *in accordance with this Section (b)(xvii).*”³² In their rehearing requests, Linden and Hudson/NYPA reiterate their reliance on the general Tariff provision, Section (b)(x)(B)(2) of Schedule 12, as requiring the assignment of cost responsibility to Merchant Transmission Facilities based on Firm Transmission Withdrawal Rights.

26. The Commission addressed this position at length in the July 2018 Order. While Firm Transmission Withdrawal Rights are used for the assignment of certain other types of transmission costs, Section (b)(xvii) of the Tariff, providing for the cost assignment of TMEPs, provides, as noted above, that the assignment of costs is made solely in accordance with the provisions of that section, which makes no mention of the use of Firm Transmission Withdrawal Rights. As further support for this interpretation, Section (b)(xvii) of the Tariff provides specifically that the allocation will be made “[n]otwithstanding Sections (b)(i), (b)(ii), (b)(iv), (b)(v) and (b)(vi) of this Schedule 12.” While Schedule 12, Section (b)(xvii) applies to TMEPs, Sections (b)(i), (b)(ii), (b)(iv), (b)(v) and (b)(vi) apply to the assignment of other types of transmission costs.

27. Linden and Hudson/NYPA rely solely on the fact that Schedule 12 Section (b)(x)(B)(2) is not included in the notwithstanding provision of the Section (b)(xvii) of the Tariff for their argument that costs should not be allocated to Merchant Transmission Facilities without Firm Transmission Withdrawal Rights. We conclude that this one omission is too tenuous of a link to support the exemption of Merchant Transmission Facilities without Firm Transmission Withdrawal Rights from the assignment of TMEP costs.

³¹ The Commission accepted the proposed cost responsibility assignments for project b2972, a TMEP for which Linden and Hudson were not allocated costs, because of no congestion cost savings.

³² PJM Tariff, Schedule 12, Section (b)(xvii) (emphasis added).

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28. While Section (b)(x)(B)(2) is not included in the “notwithstanding provision” of Section (b)(xvii) of the Tariff, we affirm our determination in the July 2018 Order that this section is most reasonably interpreted to apply to the allocation of the costs of Reliability Projects. Schedule 12, Section (b)(x)(B)(2) was included in the Tariff as part of the Settlement in Opinion No. 503, which involved only Reliability Projects.³³ This determination is reinforced by the fact that Schedule 12, Sections (b)(ii) and (iii) of the Tariff, applied to Merchant Transmission Facilities in Opinion No. 503, specifically providing that Firm Transmission Withdrawal Rights are used for the allocation of the costs of Reliability Projects to Merchant Transmission Facilities.³⁴

29. Linden maintains that Opinion No. 503 involved the generic allocation of transmission costs to Merchant Transmission Facilities such that Firm Transmission Withdrawal Rights, as specified in Section (b)(x)(B)(2) of Schedule 12, must be used as the basis for allocation of all transmission costs to Merchant Transmission Facilities. But Opinion No. 503 itself belies this argument. In Opinion No. 503, the Commission found use of Firm Transmission Withdrawal Rights appropriate to the allocation of Reliability Projects because “just as any network service transmission customer's load withdraws energy from the PJM system, Merchant Transmission Facilities withdraw energy from the PJM system and therefore, like load, contribute to the need for reliability-based upgrades.”³⁵

30. The use of Firm Transmission Withdrawal Rights to allocate the cost of Reliability Projects is reasonable, because, as the Commission has pointed out, PJM has to plan for the reliability of Merchant Transmission Facilities that possess Firm Transmission Withdrawal Rights, such that Merchant Transmission Facilities help create the need for, and benefit from, the costs of the projects.³⁶ But the basis for cost allocation under the

³³ See July 2018 Order, 164 FERC ¶ 61,002, at P 33-38 (describing the history of Opinion No. 503). Opinion No. 503 also addressed certain economic projects related to reliability issues, such as cost responsibility for modifications of previously scheduled Reliability Projects and accelerations of the in-service date of a Reliability Project. *Opinion No. 503*, 129 FERC ¶ 61,161 at P 133.

³⁴ As previously noted, Schedule 12, Section (b)(i) addresses Regional Facilities and Necessary Lower Voltage Facilities, and Section (b)(ii) addresses Lower Voltage Facilities. Section (b)(ii) of Schedule 12 provides that, “[I]f the Lower Voltage Facility is a Reliability Project, [PJM] shall use the DFAX analysis described Subsection (b)(iii) of this Schedule 12,” “DFAX Analysis for Reliability Projects.”

³⁵ *Opinion No. 503*, 129 FERC ¶ 61,161, at P 13.

³⁶ See *id.* P 80 (“the reason for allocating RTEP upgrade costs to Merchant Transmission Facilities is that PJM is required to provide reliable service up to the Firm Transmission Withdrawal Rights held by these customers.”); *PJM Interconnection*, (continued ...)

TMEP provision is the net congestion incurred in PJM zones, not the need to ensure reliability. Congestion occurs regardless of whether the Merchant Transmission Facility contracts for Firm or Non-Firm Transmission Withdrawal Rights. And, customers of Merchant Transmission Facilities without Firm Transmission Withdrawal Rights still receive benefits from TMEPs in the form of lower congestion costs. Using Firm Transmission Withdrawal Rights as the basis for allocating TMEP cost, therefore, is inconsistent with the structure of the TMEP cost allocation mechanism. Since Schedule 12, Section (b)(xvii) is the specific provision dealing with the allocation within PJM of its share of the costs of TMEPs, it should govern over a more general provision.³⁷

31. Further, as we found in the July 2018 Order, our interpretation of the TMEP Tariff provision is consistent with the treatment of the allocation of other costs which are based on expected economic benefits, rather than reliability benefits. Schedule 12, Section (b)(v)(C) allocates the cost of new Economic Projects based on the expected economic benefits from reduced locational marginal prices to Merchant Transmission Facilities without regard to their level of Firm Transmission Withdrawal Rights.³⁸ The same treatment is appropriate for TMEP costs as they are based on the economic benefits from relieving congestion, which occur regardless of whether the Merchant Transmission Facility possesses Firm Transmission Withdrawal Rights or non-Firm Transmission Withdrawal Rights.

32. We also find that we appropriately relied on extrinsic evidence since, as the prior discussion demonstrates, the interpretation of the entirety of the TMEP Tariff provision was ambiguous. In such circumstances, we would look to the intent of the parties in proposing the provision. Here, in their transmittal letter in Docket No. ER17-1406-000, PJM Transmission Owners make clear that the intent of the TMEP provision was to assign costs to Merchant Transmission Facilities based on the net congestion relieved by the project. The filing states that the Transmission Owners “propose to assign the costs of TMEPs within the PJM Region to those Zones and Merchant Transmission Facilities

L.L.C., 161 FERC ¶ 61,262 at P 50 (2017) (PJM is required provide firm service to Merchant Transmission Facilities with Firm Transmission Withdrawal Rights and “therefore those facilities are responsible for contributing to facilities necessary to support that firm service.”).

³⁷ See *Morton v. Mancari*, 417 U.S. 535 (1974) (the general rule of statutory construction that a specific statute is not to be controlled or nullified by a general one); see also *Morales v. Trans World Airlines, Inc.*, 504 U.S. 374 (1992) (the specific governs the general in statutory construction); *North American Electric Reliability Corporation*, 140 FERC ¶ 61,048, at P 48 n.64 (2012) (finding that the specific grant of penalty authority in section 215(e) takes precedence over the catch-all provision).

³⁸ PJM Tariff, Schedule 12, Section (b)(v)(C).

(continued ...)

in PJM that are shown to have experienced net positive congestion over the two historical years prior to the TMEP study period.”³⁹ The Docket No. ER17-1406-000 transmittal goes on to describe the process by which “cost responsibility for a TMEP is assigned in direct proportion to the benefits received by each Zone and [Merchant Transmission Facility] in the form of expected future congestion relief provided by the project.”⁴⁰

33. For these reasons, we affirm our conclusion that the omission of Schedule 12, Section (b)(x)(B)(2) is an oversight that should not govern the interpretation of the TMEP Tariff provision and conclude that the costs of TMEP projects are appropriately assigned to Merchant Transmission Facilities.

34. We further find that our rejection of the PJM cost responsibility assignments and the requirement to submit a compliance filing is not inconsistent with the court decision in *NRG*. Here, the Commission did not unilaterally seek to impose a new Tariff provision “methodologically distinct” from that proposed by PJM. The Commission did nothing more than interpret PJM’s cost assignment filing based on the existing Tariff provision on file. The Commission found that PJM had acted inconsistently with its Tariff and rejected the cost responsibility assignments for these projects. PJM’s Tariff enumerates how the costs for these projects are required to be assigned, and the Commission therefore required a compliance filing to assign such costs consistent with the Tariff on file. Indeed, in accordance with *NRG*, the Commission initiated a section 206 proceeding when it sought to modify the Tariff so as to clarify the provision.

B. NJBPU

35. The NJBPU rehearing request contends that the Commission erred in accepting the cost responsibility assignments for projects b2955 and b2956 because these projects are no longer necessary as the Merchant Transmission Facilities relinquished their Firm Transmission Withdrawal Rights. NJBPU contends that therefore PJM should have removed the projects from the RTEP.

36. PJM, however, did reevaluate these projects after the Merchant Transmission Facilities relinquished their Firm Transmission Withdrawal Rights.⁴¹ As indicated in

³⁹ PJM Transmission Owners’ Transmittal Letter, Docket No. ER17-1406-000, at 3 (filed April 11, 2017). See *PJM Interconnection, L.L.C.*, Docket No. ER17-1406-000, (Letter Order issued October 3, 2017 (accepting Tariff filing)).

⁴⁰ PJM Transmission Owners’ Transmittal Letter, Docket No. ER17-1406-000, at 3.

⁴¹ PJM June 5, 2018 Answer at 5.

Mr. Berner's affidavit,⁴² PJM re-ran the same power flow analysis used to plan these projects and concluded that this reevaluation "continued to identify the reliability violations and the need for projects b2955 and b2956."⁴³ Mr. Berner explained why the relinquishment of Firm Transmission Withdrawal Rights did not change the results of the study, stating that the analysis showed that injections of electricity by the Merchant Transmission Facilities, not withdrawal from these facilities, contributed to the need for the projects.⁴⁴ Because Firm Transmission Withdrawal Rights relate only to withdrawals from the PJM, the relinquishments of the Firm Transmission Withdrawal Rights have no bearing on the need for projects b2955 and b2956.⁴⁵

37. The NJPBU contends that the Commission should reject PJM's after-the-fact reliance on injection rights as a justification for the determination of the continued need for the projects as arbitrary and capricious. The NJBPU argues that PJM's study process was flawed as it failed to identify injection rights as a basis for constructing the project because this basis was never presented to PJM's Transmission Expansion Advisory Committee (TEAC) or referenced in the PJM Whitepaper.⁴⁶

38. We find that PJM's reliance on the need for the projects to solve issues regarding injection rights is reasonable and that injection rights were part of the analysis presented during PJM's RTEP process. PJM followed its RTEP procedures by presenting projects b2955 and b2956 for review and comment at the TEAC meetings on September 14, 2017, October 12, 2017, and November 2, 2017.⁴⁷ In these TEAC meetings, projects b2955

⁴² PJM included the Affidavit of Aaron T. Berner, Manager of Transmission Planning (Berner Affidavit) with its June 5, 2018 answer.

⁴³ *Id.* at Exhibit A.

⁴⁴ *Id.*

⁴⁵ *Id.*

⁴⁶ As the Commission noted, at the December 14, 2017 TEAC meeting, PJM posted its December 2017 TEAC Board White Paper detailing the projects recommended to and approved by the PJM Board at its December 6, 2017 meeting, including baseline upgrades b2955 and b2956. July 2018 Order, 164 FERC ¶ 61,002 at P 31.

⁴⁷ The December 2017 TEAC Board White Paper also supports the immediate need for the projects, specifically referencing the increased flows resulting from termination of PJM transmission service agreement with Consolidated Edison of New York, Inc., supporting a wheeling arrangement between PJM and New York Independent System Operator for project b2956 and retirement of Hudson generation. *See* December 2017 TEAC Board White Paper at 6-7.

(continued ...)

and b2956 were studied to address “Generation Deliverability” issues.⁴⁸ When studying Generation Deliverability issues, the PJM RTEP study process evaluates both Transmission Withdrawal Rights and Transmission Injection Rights.⁴⁹ The RTEP process therefore would have considered the Transmission Injection Rights still owned by the Merchant Transmission Facilities as part of the Generator Deliverability analysis.⁵⁰ When Mr. Berner restudied these projects after the Merchant Transmission Facilities relinquished their Firm Transmission Withdrawal Rights, he continued to find that projects b2955 and b2956 were needed to address the Generation Deliverability issues to which the transmission injection rights of the Merchant Transmission Facilities contributed.

39. The NJBPU further contends that PJM failed to properly vet projects b2955 and b2956 through the PJM RTEP process, because it failed to submit the revised study through its TEAC process as required by its Tariff. However, as discussed above, the RTEP process prior to the conversion of Hudson’s and Linden’s conversion of Firm Transmission Withdrawal Rights to non-firm had identified Generation Deliverability issues as the basis for these projects, and Mr. Berner merely repeated the same studies without the Firm Transmission Withdrawal Rights for the Merchant Transmission Facilities. Since PJM used the same studies as previously considered through the TEAC process, we see no basis to resubmit these projects through the entire TEAC process.

40. The NJBPU also challenges PJM’s failure to require Linden to pay further upgrade costs for subscribing to firm transmission service. NJBPU contends that the timing of Generation Deliverability studies to support Linden’s two requests for firm point-to-point transmission service and the Generation Deliverability study performed within the PJM RTEP process improperly absolved Linden of its obligation to fund transmission upgrades. The questions raised by the NJBPU relate to PJM’s awarding of firm transmission service to Linden and whether Linden should have been required to build

⁴⁸ NJBPU at 3 n. 14 & 16 (citing to the PJM TEAC, Reliability Analysis Update at 22-23 (Sep. 14, 2017), <http://www.pjm.com/-/media/committeesgroups/committees/teac/20170914/20170914-reliability-analysis-updates.ashxmeeting>, the PJM TEAC, Reliability Analysis Update at 11-12 (Oct. 12, 2017) <http://www.pjm.com/-/media/committeesgroups/committees/teac/20171012/20171012-teac-reliability-analysis-update.ashx>, and the PJM TEAC, Reliability Analysis Update at 27-28 (Nov. 2, 2017) <http://www.pjm.com/-/media/committees-groups/committees/teac/20171102-special/20171102-teac-reliability-analysis-update.ashx>).

⁴⁹ See PJM Manual 14B, Attachment C, section 7.3, addendum 1.

⁵⁰ See *PJM Interconnection, L.L.C.*, 144 FERC ¶ 61,070 (2013) (accepting interconnection service agreement providing Linden with transmission injection rights).

(continued ...)

upgrades in order to obtain firm transmission service. These arguments are unrelated to this proceeding which involves the assignment of cost responsibility for projects included in the RTEP.

41. In addition, the NJBPU repeats arguments that it made in its complaint in Docket No. EL18-54 in which it similarly claims that Linden is unfairly avoiding cost allocation resulting from its acquisition of firm transmission service.⁵¹ The NJBPU maintains that Linden's acquisition of firm transmission service provides the same level of service that it had obtained with Firm Transmission Withdrawal Rights, but without the attendant costs. It maintains that Linden's actions have unfairly permitted Linden to free ride on the investment made by New Jersey ratepayers in the facilities in this filing.

42. In making the cost responsibility assignments in this case, PJM followed the requirements of its Tariff, and we disagree that in following these requirements Linden avoided allocation of the costs of projects b2955 and b2956. Under PJM's Tariff, Merchant Transmission Facilities with Firm Transmission Withdrawal Rights are treated as separate zones and are allocated costs as a zone. In contrast, customers with firm transmission rights are allocated their proportionate percentage of the costs of the zone in which the transmission service is located.⁵² While the amounts allocated for these two services may be different, Linden will bear the cost of paying for upgrades under either service.

43. Moreover, the arguments made by the NJBPU are the same as those addressed in its complaint in Docket No. EL18-54, which, as noted above was denied.⁵³

⁵¹ *New Jersey Board of Public Utilities v. PJM Interconnection, L.L.C., et al.*, 163 FERC ¶ 61,139 (2018) (NJBPU Complaint) (in Docket No. EL18-54, denying a complaint by the NJBPU that the PJM and New York Independent System Operator (NYISO) Joint Operating Agreement (JOA) and Schedule 12 of the PJM Tariff do not properly allocate the costs of certain RTEP projects to Merchant Transmission Facilities and to customers using transmission lines that connect PJM to NYISO).

⁵² With firm transmission service, Linden will be responsible for a proportionate share of all the costs allocated to the PSEG zone. With Firm Transmission Withdrawal Rights, Linden would be responsible for the costs allocated to the Linden Zone pursuant to Schedule 12.

⁵³ NJBPU Complaint, 163 FERC ¶ 61,139 at P 50.

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VI. Compliance Filings

A. PJM

44. In rejecting the proposed cost responsibility assignments for TMEPs b2971, b2973, b2974, and b2975, the Commission required PJM to submit a compliance filing to update the cost responsibility assignments of those projects. On July 31, 2018, PJM filed a compliance filing in Docket No. ER18-614-003 proposing revisions to Schedule 12-Appendix A for TMEPs b2971, b2973, b2974 and b2975, effective April 5, 2018, to allocate costs to Hudson and Linden to reflect their pro rata share of the sum of the net Transmission Congestion Charges paid by Market Buyers of the Zones and Merchant Transmission Facilities in which the Market Buyers experienced net Transmission Congestion Charges, as identified in the TMEP Study.⁵⁴

B. PJM Transmission Owners

45. To ensure requisite clarity in Schedule 12 and prevent future confusion, the Commission instituted an FPA section 206 proceeding to revise Schedule 12 in accordance with the Commission's interpretation of the TMEP Tariff provision. The Commission required the PJM Transmission Owners either to revise the TMEP tariff by adding "Section (b)(x)(B)(2)" to the list of "notwithstanding" provisions in Schedule 12, Section (b)(xvii) or to show cause why Schedule 12 should not be revised.

46. On August 1, 2018, the PJM Transmission Owners filed a compliance filing in Docket No. ER18-614-004⁵⁵ proposing to revise the TMEP Tariff provision as follows:

Notwithstanding Sections (b)(i), (b)(ii), (b)(iv), (b)(v), (b)(vi), and (b)(x)(B)(2), cost responsibility for the costs of a Required Transmission Enhancement that is included in the Regional Transmission Expansion Plan because it is a Targeted Market Efficiency Project ("TMEP") identified in the Coordinated System Plan periodically developed pursuant to the Joint Operating Agreement Between the Midcontinent Independent Transmission System Operator, Inc. and PJM Interconnection, L.L.C. ("PJM-MISO JOA") and assigned to PJM pursuant to Section 9.4.4.2.5 of the PJM-MISO JOA,

⁵⁴ PJM Interconnection, L.L.C., Intra-PJM Tariffs, [SCHEDULE 12.APPX A - 19, OATT SCHEDULE 12.APPENDIX A - 19 NIPSCO, 1.1.0.](#)

⁵⁵ PJM Interconnection, L.L.C., Intra-PJM Tariffs, [SCHEDULE 12, OATT SCHEDULE 12, 13.0.0.](#)

shall be assigned among Zones and Merchant Transmission Facilities in accordance with this Section (b)(xvii). ...

C. Notice

47. Notice of the PJM compliance filing was published in the *Federal Register*, 83 Fed. Reg. 38,298 (2018), with interventions and protests due on or before August 21, 2018. The Delaware Division of Public Advocate (Delaware Division) filed a timely motion to intervene on the PJM compliance filings. Linden protested the PJM compliance filing, and PJM filed an answer to Linden's protest.

48. Notice of the PJM Transmission Owners compliance filing was published in the *Federal Register*, 83 Fed. Reg. 39,094 (2018), with interventions and protests due on or before August 22, 2018. Linden protested the PJM Transmission Owners compliance filing.

D. Pleadings

49. As noted, Linden protested the compliance filings of both PJM and the PJM Transmission Owners. In protest of both the PJM Transmission Owners compliance filing and the PJM compliance filing, Linden notes that it has requested rehearing of the July 2018 Order and incorporates the rehearing request by reference.

50. Linden states that the PJM Transmission Owners compliance filing adds Section (b)(x)(B)(2), which bases the assignment of cost responsibility on Firm Transmission Withdrawal Rights, to Section (b)(xvii) despite the provisions in Section (b)(xvii) specifically identifying certain other provisions of Schedule 12. Linden maintains that cost responsibility for TMEPs should not be assigned to Linden and Hudson because they do not have Firm Transmission Withdrawal Rights. Linden contends that the PJM Transmission Owners could not have intended to assign cost responsibility for TMEPs to Merchant Transmission Facilities that do not have Firm Transmission Withdrawal Rights and that they had no notice of such allocations. Linden maintains such allocations are unjust and unreasonable as the costs allocations are not matched as closely as possible to the benefits received.

51. Linden states that the PJM compliance filing effectively modifies the originally proposed rate to transform it into an entirely new rate of the Commission's making, with a retroactive effective date of April 5, 2018. Linden maintains that the rate pursuant to the compliance filing are methodologically distinct from the rates originally proposed and are contrary to the requirements of *NRG*. Linden contends that the earliest the PJM compliance filing could become effective is the refund effective date established by publication of the notice establishing the FPA section 206 proceeding in Docket No. EL18-173-000.

52. PJM answers that contrary to the facts in the *NRG* case, the Commission in this docket did not attempt to change the filed-rate or make a new rate. In the July 2018 Order, the Commission determined that PJM's decision to exclude Linden and Hudson from cost responsibility for the TMEPs in the January 9, 2018 Filing was incorrect and inconsistent with the Commission-accepted cost allocation methodology for TMEPs as set forth in Tariff, Schedule 12, section (b)(xvii). As a result, the Commission found that PJM had not properly allocated costs for the TMEPs consistent with the filed-rate and directed PJM to submit a compliance filing to restore cost responsibility assignments to Linden and Hudson for the TMEPs included in the January 9, 2018 Filing in accordance with Schedule 12, section (b)(xvii), effective April 5, 2018, which was the effective date originally requested in the PJM Tariff Filing.

E. Determination

53. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214, the timely, unopposed motion to intervene serves to make the Delaware Division party to this proceeding.

54. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2018), prohibits an answer to a protest unless otherwise ordered by the decisional authority. We accept PJM's answer because it provided information that assisted us in our decision-making process.

55. As we stated in the July 2018 Order, FPA sections 205(c) and (d), and Commission regulations provide the Commission with authority to prescribe the rules and regulations regarding the tariffs and rate schedules filed by public utilities and require such tariffs to "stat[e] plainly"⁵⁶ and "clearly and specifically specify[]"⁵⁷ all rates and charges and terms and conditions of service. Since, as discussed above, we find the TMEP Tariff provision, Schedule 12, Section (b)(xvii), unclear and ambiguous, we revise that provision pursuant to the show cause proceeding that the Commission established under FPA section 206. We find that the PJM Transmission Owners' compliance filing provides the requisite clarity and therefore we accept that provision to be effective as of the date of this order.

56. We deny Linden's protest which is based solely on its rehearing arguments, which we addressed above.

57. We also accept the PJM compliance filing, effective April 5, 2018, and deny the protest of Linden. As we discuss more fully above, the Commission's rejection of PJM's cost responsibility assignments for TMEP projects and requirement that PJM assign the

⁵⁶ 16 U.S.C § 824d (d).

⁵⁷ 18 C.F.R. § 35.1(a) (2018).

costs consistent with its existing Tariff does not run afoul of the Commission's authority under FPA section 205 or the Court's decision in *NRG*.

The Commission orders:

(A) The requests for rehearing of the July 2018 Order are hereby denied, as discussed in the body of this order.

(B) The PJM Transmission Owners compliance filing is hereby accepted, to be effective as of the date of this order, as discussed in the body of this order.

(C) The PJM compliance filing is hereby accepted, to be effective April 5, 2018, as discussed in the body of this order.

By the Commission. Commissioner McNamee is not participating.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.