



# FERC Show Cause Order (Docket No. EL24-26-000)

IPS Meeting  
April 22, 2024

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**On December 20, 2023, FERC issued an order establishing a section 206 show cause proceeding:**

- This order arises out of a proceeding involving PJM's filing of the unexecuted ISA and ICSA for Queue No. AC1-190 per the Interconnection Customer's request in 2022.
- An issue in dispute was whether the Transmission Owner (TO) or Interconnection Customer (IC) was responsible for obtaining one additional acre beyond the project's Site to accommodate the expansion of the existing substation to which the AC1-190 project will interconnect. The TO identified the need for additional land during the Facilities Study.
- The pro forma ICSA is silent on this issue. The TO and IC each believed the other should be responsible.

## **PJM *Pro Forma* ICSA, Appendix 2, section 5.3**

“If any of the easements and other land rights described in Section 5.1 above **[referencing the Site]** must be obtained from a third party, the Interconnected Transmission Owner's obligation for completing its construction responsibilities in accordance with the Schedule of Work, to the extent of the facilities that it is responsible for constructing for which such easements and land rights are necessary, shall be subject to Interconnection Customer's acquisition of such easements and other land rights at such times and in such manner as the Interconnected Transmission Owner may reasonably require to perform its obligations under this Appendix 2, and/or to perform its operation and maintenance obligations under the Interconnection Service Agreement, provided, however, that upon Interconnection Customer's request, the Interconnected Transmission Owner shall assist the Interconnection Customer in acquiring such land rights with efforts similar in nature and extent to those that the Interconnected Transmission Owner typically undertakes in acquiring land rights for construction of facilities on its own behalf. The terms of easements and land rights acquired by Interconnection Customer shall not unreasonably impede the Interconnected Transmission Owner's timely completion of construction of the affected facilities.”

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## FERC's December 20 Order:

- Explain why pro forma ICSA is just and reasonable, not unduly discriminatory or preferential; or describe Tariff changes that would address FERC's concerns

or

- Propose Tariff revisions to address FERC's concerns order

## ***Pro Forma Large Generator Interconnection Agreement, Art. 5.13:***

“If any part of Transmission Provider or Transmission Owner's Interconnection Facilities and/or Network Upgrades is to be installed on property owned by persons other than Interconnection Customer or Transmission Provider or Transmission Owner, Transmission Provider or Transmission Owner shall at Interconnection Customer's expense use efforts, similar in nature and extent to those that it typically undertakes on its own behalf or on behalf of its Affiliates, including use of its eminent domain authority, and to the extent consistent with state law, to procure from such persons any rights of use, licenses, rights of way and easements that are necessary to construct, operate, maintain, test, inspect, replace or remove Transmission Provider or Transmission Owner's Interconnection Facilities and/or Network Upgrades upon such property.”

**PJM:**

**Requested that FERC hold the show cause proceeding** in abeyance to allow for PJM to develop, refine and present proposal for stakeholder engagement.\*

**Developing a proposal to address FERC’s concerns** by building upon the new interconnection process rules now in effect.\*\*

**Stakeholder engagement and education** involves IPS and PC meetings in April, May and June.\*\*

\* PJM requested abeyance until August 2, 2024.

\*\* Recent challenges may affect PJM’s request for further abeyance.