

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

OFFICE OF ENERGY MARKET REGULATION

PJM Interconnection, L.L.C.
Docket Nos. ER17-367-000 and ER17-367-001

Issued: March 21, 2017

PJM Interconnection, L.L.C.
2750 Monroe Blvd.
Audubon, PA 19403

Attention: Jennifer Tribulski, Esq.
Attorney for PJM Interconnection, L.L.C.

Reference: Order Accepting and Suspending Filing, Subject to Refund, and
Further Commission Order

Dear Ms. Tribulski:

On November 17, 2016, pursuant to section 205 of the Federal Power Act,¹ PJM Interconnection, L.L.C. (PJM) submitted proposed tariff revisions intended to enhance participation of certain resources in PJM's Reliability Pricing Model capacity market. PJM states that the filing will: (1) enhance its aggregation rules to provide additional ways in which eligible resources can participate in the capacity market; (2) provide an opportunity for such eligible resources to obtain additional Capacity Interconnection Rights for the winter to support aggregation; and (3) modify rules for measuring Demand Resource performance during the winter period. PJM states that its filing will enhance prospects for aggregation by removing what some have identified as barriers to aggregation being used to maximize the value of seasonal resources. PJM seeks an effective date for the proposed tariff revisions related to enhanced aggregation rules and winter Capacity Interconnection Rights of January 19, 2017. PJM seeks an effective date for the proposed tariff revisions related to Demand Resource performance of June 1, 2017.

¹ 16 U.S.C. § 824d (2012).

PJM's filing was noticed on November 17, 2016, with interventions and protests due on or before December 8, 2016. On January 23, 2017, PJM filed a response to a Commission staff issued deficiency letter. PJM's response was noticed on January 23, 2017, with interventions and protests due on or before February 13, 2017. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure,² any notices of intervention and timely filed, unopposed motions to intervene serve to make the filer a party to this proceeding.³

Several commenters support the filing for largely the same reasons articulated by PJM. Protestors challenge the filing on various grounds, disputing, among other things, the proposed revisions to aggregation rules and to the granting of additional Capacity Interconnection Rights. They assert that the proposed tariff revisions are unjust and unreasonable, unduly discriminatory, and are an insufficient solution to the larger problem of the costly and inefficient nature of eliminating stand-alone sub-annual resources.

Preliminary analysis indicates that PJM's proposed tariff revisions have not been shown to be just and reasonable and may be unjust, unreasonable, unduly discriminatory or preferential, or otherwise unlawful. Therefore, pursuant to the authority delegated to the Director, Division of Electric Power Regulation – East, Office of Energy Market Regulation, in the Commission's February 3, 2017 Order Delegating Further Authority to Staff in Absence of Quorum,⁴ PJM's proposed tariff revisions are accepted for filing, suspended for a nominal period, with the proposed revisions related to enhanced aggregation rules and winter Capacity Interconnection Rights to become effective January 19, 2017 and those related to Demand Resource performance to become effective June 1, 2017, as requested, subject to refund and further Commission order. Protests and comments will be addressed in a further Commission order as appropriate.

This acceptance for filing shall not be construed as constituting approval of the referenced filing or of any rate, charge, classification, or any rule, regulation, or practice affecting such rate or service contained in your filing; nor shall such acceptance be deemed as recognition of any claimed contractual right or obligation associated therewith; and such acceptance is without prejudice to any findings or orders which have been or may hereafter be made by the Commission in any proceeding now pending or

² 18 C.F.R. § 385.214 (2016).

³ Any late and opposed motions to intervene will be addressed in a further Commission order as appropriate.

⁴ *Agency Operations in the Absence of a Quorum*, 158 FERC ¶ 61,135 (2017).

hereafter instituted by or against PJM.

Consistent with Rule 1902 of the Commission's Rules of Practice and Procedure,⁵ requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order.⁶

Sincerely,

Kurt Longo, Director
Division of Electric Power
Regulation – East

⁵ 18 C.F.R. § 385.1902 (2016).

⁶ 18 C.F.R. § 385.713 (2016).