

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

OFFICE OF ENERGY MARKET REGULATION

PJM Interconnection, L.L.C.
Docket No. ER17-1590-000

Issued: 7/7/17

PJM Interconnection, L.L.C.
1200 G Street, N.W., Suite 600
Washington, D.C. 20005

Wright & Talisman, P.C.
1200 G Street N.W., Suite 600
Washington, DC 20005

Attention: Ryan J. Collins
Attorney for PJM Interconnection, L.L.C.

Reference: Operating Reserve Demand Curve Revisions

Dear Mr. Collins:

On May 12, 2017, you filed, on behalf of PJM Interconnection, L.L.C. (PJM), revisions to PJM's Operating Reserve demand curves (ORDC) to: (1) add a permanent second step on the ORDC at a \$300/MWh Penalty Factor level; and (2) to modify the Penalty Factor metric used during Step 1 shortage pricing events to the actual output of the single largest contingency on the system.¹

Pursuant to the authority delegated to the Director, Division of Electric Power Regulation – East, under 18 C.F.R. § 375.307 (2016), your submittal is accepted for filing effective July 12, 2017, as requested.

¹ PJM Interconnection, L.L.C., Intra-PJM Tariffs, [E-F, OATT Definitions – E - F, 14.0.0, OATT ATT K APPX Sec 2.5, OATT Attachment K Appendix Sec 2.5 Calculation of Real-time, 4.0.2, OATT ATT K Appx Sec 3.2, OATT Attachment K Appendix Sec 3.2 - Market Buyers, 37.0.2, E-F, OA Definitions E - F, 9.0.0, OA Schedule 1 Sec 2.5, OA Schedule 1 Sec 2.5 Calculation of Real-time Prices., 4.0.2, and OA Schedule 1 Sec 3.2, OA Schedule 1 Sec 3.2 - Market Buyers, 36.0.2.](#)

The filing was noticed on May 12, 2017, with comments, interventions, and protests due on or before June 2, 2017. Pursuant to Rule 214 (18 C.F.R. § 385.214 (2016)), to the extent that any timely filed motions to intervene and any motion to intervene out-of-time were filed before the issuance date of this order, such interventions are granted. Granting late interventions at this stage of the proceeding will not disrupt the proceeding or place additional burdens on existing parties.

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 that have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against PJM.

This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713.

Sincerely,

Kurt M. Longo, Director
Division of Electric Power
Regulation – East