UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

PJM Interconnection, L.L.C.  ) Docket No. ER14-____-000

REQUEST FOR WAIVER AND
EXPEDITED RELIEF OF
PJM INTERCONNECTION, L.L.C.

As a result of extreme and sustained cold weather conditions forecasted for the week of
January 6, 2014, PJM Interconnection, L.L.C. (“PJM”) respectfully requests a temporary waiver,
effective as of January 4, 2014, as may be necessary to allow it to temporarily waive certain
specific provisions of the Amended and Restated Operating Agreement of PJM, Interconnection,
L.L.C. (“Operating Agreement”) detailed below. A limited waiver is necessary to permit PJM
to utilize, during the present extreme weather conditions, the additional communication tools
provided for in the Commission’s Order No. 787 to allow it to share, as specified further below,
certain non-public, operational information with interstate natural gas pipelines serving the PJM-
member generation to ensure reliability during the forecasted extreme weather conditions.
Because this request is both narrow in scope and time, PJM requests expedited relief in this
instance to allow for a unit-specific review between the applicable pipelines and PJM of the day
ahead unit commitment during the present extreme weather conditions to ensure that adequate
supplies of natural gas to the proposed committed units can be confirmed. With such
information, coupled with the information provided as to dual fuel alternatives available for units
committed day ahead and utilized in real time, PJM will have an additional tool to ensure system

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1 Additionally and concurrently with this filing, PJM is submitting a waiver request in a companion docket
seeking an extended waiver effective on January 11, 2014, and lasting until the end of the winter heating season
(i.e., March 31, 2014) or until the effective date of the tariff revisions submitted by PJM implementing the
Commission’s regulations approved in Order No. 787, whichever comes first.

2 Communication of Operational Information Between Natural Gas Pipelines and Electric Transmission
reliability during the period of extremely cold weather. As the cold weather conditions are forecasted to subside by Friday, January 10, 2014, and as PJM is utilizing its stakeholder process to address these issues longer term, this request is limited in both time and scope.

I. Background

On November, 15, 2013, the Commission issued a final rule in Order No. 787 adopting regulations to provide explicit authority to interstate natural gas pipelines and public utilities that own, operate or control facilities used for the transmission of electric energy in interstate commerce to share non-public, operational information with each other to promote reliable service or operational planning on either the public utility’s or pipeline’s system. In doing so, the Commission recognized that permitting transmission operators to share information with each other they deem necessary reflects sound policy as it will promote the reliability and integrity of their respective systems. Nevertheless, while the Commission explicitly authorized sharing such operational information among gas and electric transmission providers with the adoption of the new regulations, it declined to supersede any existing tariff provisions that any transmission providers may have to the contrary which limit sharing such information, thereby requiring transmission providers to make filings under section 205 of the Federal Power Act to revise its tariff provisions to allow the exchanges of information permitted by the final regulations.\(^3\)

Currently, Section 18.17.1 of the Operating Agreement prohibits PJM from disclosing, without prior authorization, to its Members or third parties, any confidential or market sensitive documents, data, or other information of a Member. This prohibition, in its breadth, limits PJM’s ability to review with pipelines the unit specific information and relevant pipeline

\(^3\) Order No. 787 at P 17.
conditions that would enhance PJM’s ability to maintain bulk power grid reliability during next weeks’ projected extreme and sustained cold weather.

While PJM has initiated its stakeholder process to propose, and ultimately approve for filing, revisions to it to share non-public operational information with natural gas transmission providers consistent with the Commission’s regulations, the need to exchange such data is imminent because of the severe and sustained weather conditions forecasted throughout the PJM Region in the coming weeks. For example, the temperatures in Philadelphia are projected to be as low as -1 degree, while, cities such as Cleveland, Ohio, and Chicago are expected to be as low as –17 degrees and -15 degrees respectively. Although PJM has managed through cold weather conditions previously, the forecasted weather conditions next week are especially problematic (and thus give rise to this request) because they represent over seven days of sustained extremely cold weather. Extreme cold weather conditions, such as those forecasted over a sustained period of time, can tax generating equipment and could lead to increased natural gas curtailments, all of which can impact reliability far more than merely one or two days of cold weather. As a result, the sustained extremely cold weather conditions give rise to this request.

1. Request for Waiver and Expedited Relief

   PJM respectfully requests that the Commission grant a waiver Section 18.17.1 of PJM’s Operating Agreement, effective as of January 4, 2014, and remaining in effect until such time that the severe weather in the PJM Region abates, which, in this case, is forecasted to end by January 10, 2014, so as to allow it to share specific generator commitment schedules with natural gas pipeline operators in the PJM Region.

   In the past, the Commission has focused on several factors in evaluating whether sufficient “good cause” exists to grant such waiver requests. The Commission has granted tariff
waivers when circumstances arise from an “inadvertent mishap” or “force majeure” event.\(^4\) In addition, the Commission has granted a tariff waiver to excuse a failure to satisfy certain requirements for limited time frames during which the applicant was working to correct the problems.\(^5\) Other factors the Commission has considered include evaluating whether the requested relief should address a limited set of circumstances and system reliability was not jeopardized because of the applicant’s failure to comply with the tariff requirement at issue.\(^6\) In sum, the Commission has generally granted such waiver request where: (1) the underlying error (assuming one is made) was made in good faith; (2) the waiver request is of limited scope; (3) a concrete problem needed, or needs, to be remedied; and (4) the waiver did not have undesirable circumstances, such as harming third parties.\(^7\)

PJM’s waiver request here meets all these relevant factors. First, no error was committed here that this request seeks to remedy and, as such, the first factor is not relevant. Secondly, the waiver request is of limited scope and is contemplated only to apply to the sharing of generation unit specific commitments with relevant natural gas pipeline operators in the PJM Region for a limited period of time during the forecasted severe weather projected, which in this case is not expected to extend beyond January 10, 2014. Third, granting the requested relief will be under a limited set of circumstances, needed to address a concrete problem during which system reliability will not be jeopardized, but will, in fact, be enhanced by granting this request. Finally, granting this expedited waiver request will have no undesirable circumstances and is completely


in line with the Commission’s policy as elaborated in Order No. 787 and the adoption of regulations explicitly permitting such exchanges of information.

Therefore, based upon the foregoing circumstances, good cause and equity exists to grant this requested relief expeditiously because: (1) the waiver is limited in scope to the information specified above for a limited period of time; (2) granting of waiver is needed to address specific circumstances, and; (3) granting the waiver comports with established Commission policy and is needed to enhance system reliability.

II. Correspondence and Communication

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IV. Service

PJM has served a copy of this filing on all PJM Members and on all state utility regulatory commissions in the PJM Region by posting this filing electronically. Electronic service is permitted as of November 3, 2008, under the Commission’s regulations\(^8\) pursuant to Order No. 714\(^9\) and the Commission’s Notice of Effectiveness of Regulations issued on October 28, 2008, in Docket No. RM01-5-000. In compliance with those regulations, PJM will post a copy of this filing to the FERC filings section of its internet site, located at the following link: http://www.pjm.com/documents/ferc-manuals/ferc-filings.aspx with a specific link to the newly filed document, and will send an e-mail on the same date as this filing to all PJM Members and

\(^8\) See, 18 C.F.R. §§ 35.2, 154.2, 154.208 and 341.2.

\(^9\) Electronic Tariff Filings, Order No. 714, 124 FERC ¶ 61,270.
all state utility regulatory commissions in the PJM Region\textsuperscript{10} alerting them that this filing has been made by PJM today and available by following such link. If the document is not immediately available by using the referenced link, the document will be available through the referenced link within 24 hours of the filing. Also, a copy of this filing will be available on the Commission’s eLibrary website located at the following web link: \url{http://www.ferc.gov/docs-filing/elibrary.asp} in accordance with the Commission’s regulations and Order No. 714.

V. Conclusion

For the foregoing reasons, PJM respectfully requests that the Commission grant the waiver requested herein and take any other actions or grant any other relief required to equitably and appropriately resolve the issues and concerns identified in this filing.

Respectfully submitted,

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\textsuperscript{10} PJM already maintains, updates and regularly uses e-mail lists for all PJM Members and affected commissions.