

**MC Legal Report
Summary of Significant Filings, Legal
Activity and
Federal Energy Regulatory Commission (Commission) and Court Orders
(January 11, 2025 – February 6, 2025)**

ORDERS

On January 23, 2025, in Docket No. ER25-583-000, the Commission issued a letter order accepting PJM's ministerial clean-up filing to ensure that the eTariff records correctly reflect the language in the PJM Tariff, Section 1, Definitions R - S that was accepted by the Commission in various dockets with various effective dates.

On January 17, 2025, in Docket No. ER25-514-000, the Commission issued a letter order accepting the filing by PJM submitted on behalf of Baltimore Gas and Electric Company (BG&E) clean-up revisions to PJM Tariff, Parts I and II of Attachment H-2A to update its current tariff for accepted revisions from Docket Nos. ER21-214-003 and ER24-754-000. BG&E's ministerial clean-up revisions become effective as of the previously accepted effective dates.

On January 17, 2025, in Docket No. ER25-502-000, the Commission accepted revisions to the PJM Operating Agreement, Schedule 12, and the RAA, Schedule 17, to (i) add the new members, (ii) remove withdrawn members, (iii) reflect members' whose corporate names changed, and (iv) add new signatories to the RAA during the third quarter of 2024. The revisions are effective as of September 30, 2024.

FILINGS

On February 5, 2025, in Docket No. ER25-712-000, PJM filed a Motion for Leave to Answer and Answer to Invenergy Renewables LLC and Bottlebrush Storage LLC (Invenergy)'s January 31, 2025 answer in response to earlier pleadings. While Invenergy's answer had included an analysis that it claimed showed the cost impact the reforms proposed could have on certain developers and made other arguments, PJM stated that there was little new in the Invenergy answer, and that its analysis is deeply flawed and should be disregarded.

On February 5, 2025, in Docket No. ER25-682-000, PJM submitted a Motion for Leave to Answer and Answer to further bolster the position that PJM can count on Brandon Shores and Wagner as capacity through the 2027/2028 Delivery Year based on two new facts: (1) a Declaration of Justin Vickers that details Sierra Club and Talen Energy Marketing ("Talen") has recently amended its agreement allowing the Brandon Shores units to continue to operate in accordance with the RMR beyond December 31, 2025 in Docket No. EL24-148; and (2) settlement agreements recently submitted in Docket Nos. ER24-1787 and ER24-1790, which provide greater certainty over their operating terms.

On February 4, 2025, in Docket No. ER25-455-001, PJM filed a motion to withdraw the notice of cancellation in this docket of an Interconnection Service Agreement (ISA), designated as Service Agreement No. 6239, among PJM, Welcome Solar, LLC (Welcome Solar III), and American Transmission Systems, Inc. PJM requested the notice of cancellation be withdrawn in accordance with its conclusion that Welcome Solar III is no longer in Breach of any milestone under the Welcome Solar III ISA.

On February 4, 2025, in Docket No. ER25-454-001, PJM filed a motion to withdraw the notice of cancellation in this docket of an Interconnection Service Agreement (ISA), designated as Service Agreement No. 6454, among PJM, Welcome Solar, LLC (Welcome Solar II), and American Transmission Systems, Inc. PJM requested the notice of cancellation be withdrawn in accordance with its conclusion that Welcome Solar II is no longer in Breach of any milestone under the Welcome Solar II ISA.

On February 4, 2025, in Docket No. ER25-453-001, PJM filed a motion to withdraw the notice of cancellation in this docket of an Interconnection Service Agreement (ISA), designated as Service Agreement No. 6475, among PJM, Welcome Solar, LLC (Welcome Solar), and American Transmission Systems, Inc. PJM requested the notice of cancellation be withdrawn in accordance with its conclusion that Welcome Solar is no longer in Breach of any milestone under the Welcome Solar ISA.

On February 4, 2025, in Docket No. ER21-203-004, PJM submitted on behalf of Baltimore Gas and Electric Company clean-up revisions to PJM Tariff, Attachment H-2A to update its current tariff and previous superseded versions of the tariff for accepted revisions from dockets pending during the period of Order No. 864 compliance. Baltimore Gas and Electric Company is requesting that these ministerial clean up changes be effective as of the effective dates previously established by FERC in the applicable dockets.

On February 3, 2025, in Docket No. ER21-205-004, PJM submitted on behalf of Delmarva Power & Light Co. clean-up revisions to PJM Tariff, H-3D to update its current tariff and previous superseded versions of the tariff for accepted revisions involving Order No. 864 compliance. Delmarva Power & Light Co. is requesting that these ministerial clean-up revisions be effective as of the effective dates previously accepted by the Commission in the applicable dockets.

On January 31, 2025, in Docket No. ER25-785-000, PJM submitted an answer in response to protests regarding the December 20, 2024 proposal to: (1) extend the capacity must-offer requirement to all Existing Generation Capacity Resources, including Intermittent Resources, Capacity Storage Resources, and Hybrid Resources, beginning with the Base Residual Auction for the 2026/2027 Delivery Year; and (2) update the Market Seller Offer Cap rules so that Sell Offers of all Existing Generation Capacity Resources can better reflect the full cost of such resources receiving a capacity obligation.

On January 31, 2025, in Docket No. ER13-198-000, PJM submitted for filing consistent with the PJM Operating Agreement, Schedule 6, section 1.5.8(m)(1), the 2025 informational report that includes: (i) Appendix A - a list of Immediate-need Reliability Projects approved by the PJM Board of Managers in 2024 for which an existing incumbent transmission owner was selected as the designated entity; and (ii) Appendix B - a status update listing the Immediate-need Reliability Projects included in the 2024 informational report filed in this docket.

On January 31, 2025, in Docket Nos. ER22-957-000 and EL22-26-000 (not consolidated), PJM submitted its twelfth informational update to provide the Commission with the most updated congestion pattern information on the Northern Neck Peninsula.

On January 31, 2025, in Docket No. ER25-1128-000, PJM proposed revisions to certain provisions of Part VIII of the Tariff to enhance the process for transferring Capacity Interconnection Rights from deactivating generation resources to new replacement resources (each a Replacement Generation Resource), with a requested effective date of April 2, 2025.

On January 31, 2025, in Docket No. ER21-201-004, PJM submitted on behalf of Atlantic City Electric Co., clean-up revisions to PJM Tariff, Attachment H-1A to update its current tariff and previous superseded versions of the tariff for accepted revisions involving Order No. 864 compliance. Atlantic City Electric Co. is requesting that these ministerial clean-up revisions be effective as of the effective dates previously accepted by the Commission in the applicable dockets.

On January 29, 2025, in Docket No. ER25-1095-000, PJM submitted its Hybrids Phase III Proposal, which is the third phase of enhancements and clarifications to the existing market rules for Hybrid Resources, as well as additional market rules for non-inverter based hybrid configurations. PJM requested that the revisions to the PJM Tariff, Operating Agreement and Reliability Assurance Agreement become effective as of March 31, 2025.

On January 28, 2025, in Docket No. ER25-778-000, PJM Interconnection, L.L.C. electronically submitted to FERC an answer to certain of the comments filed in response to PJM's December 20, 2024 filing to modify the provisions of Part VIII of the PJM Tariff governing Surplus Interconnection Service.

On January 28, 2025, in Docket No. EL25-51-000, PJM filed a motion for an extension of time, by seven days, to answer the complaint filed by Honeysuckle Solar, LLC. PJM further requested a shortened two-day answer period and Commission action no later than January 31, 2025.

On January 28, 2025, in Docket No. ER25-1073-000, PJM submitted its Order No. 904 compliance filing related to the compensation of reactive power. PJM requested an effective date of April 1, 2025.

On January 27, 2025, in Docket No. ER25-775-000, PJM submitted a motion for leave to answer and answer to protests and comments regarding PJM's December 20, 2024 filing of revisions to PJM Tariff, Schedule 12 – Appendix, Schedule 12 – Appendix A, and Schedule 12 – Appendix C to update annual cost responsibility assignments for Regional Facilities, Necessary Lower Voltage Facilities, Lower Voltage Facilities, and State Agreement Public Policy Projects, consistent with PJM Tariff, Schedule 12.

On January 27, 2025, in Docket No. EL25-46-000, PJM submitted with Governor Josh Shapiro and the Commonwealth of Pennsylvania a joint motion and notice of stipulation to further extend the deadline from January 28, 2025 to February 14, 2025 for PJM to submit an answer to the December 30, 2024 Complaint.

On January 24, 2025, in Docket No. ER25-682-000, PJM submitted a Motion for Leave to Answer and Answer to the comments and protests filed in response to PJM's December 9, 2024 proposed revisions to its Tariff to, among other things: (1) retain the combustion turbine as the Reference Resource; (2) recognize the resource adequacy contributions of certain Reliability Must Run resources that meet objective criteria allowing PJM to reasonably rely on them to perform during capacity emergencies during the 2026/2027 and 2027/2028 Delivery Years, and (3) clarify in the Tariff that the existing exceptions/exemptions to the capacity must-offer rule do not provide an affirmative defense against claims of market manipulation.

On January 24, 2025, in Docket No. ER21-206-004, PJM submitted on behalf of Potomac Electric Power Company clean-up revisions to PJM Tariff, Attachment H-9A to update its current tariff and previous superseded versions of the tariff for accepted revisions from dockets pending during the period of Order No. 864 compliance. Potomac Electric Power Company is requesting that these ministerial clean up changes be effective as of the effective dates previously established by FERC in the applicable dockets.

On January 23, 2025, in Docket No. ER25-712-000, PJM filed a Motion for Leave to Answer and Answer to various comments and pleadings submitted in response to its Reliability Resource Initiative filing (RRI Filing). PJM stated the RRI Filing constitutes a one-time reliability-based expansion of the eligibility criteria for Transition Cycle #2 so that a limited number of additional resources needed to rapidly address PJM's near-term reliability challenge can entered PJM's interconnection queue, and that none of the parties objecting to the filing demonstrated that the RRI Filing is not just, reasonable or unduly discriminatory or preferential. PJM therefore requested that the Commission issue an order no later than February 11, 2025, accepting the RRI Filing to be effective December 14, 2024, as initially requested.

On January 23, 2025, in Docket No. EL25-18-000, PJM submitted an answer to the complaint of the Illinois Attorney General's Office, Illinois Citizens Utility Board, Maryland Office of People's Counsel, New Jersey Division of Rate Counsel, Office of the Ohio Consumers' Counsel, and Office of the People's Counsel for the District of Columbia (Joint Consumer Advocates) against PJM challenging the just and reasonableness of various aspects of PJM's capacity market design. In this Answer, PJM notes the pending 205 filings that address many of the issues raised in the complaint while maintaining the existing rules remain just and reasonable.

On January 23, 2025, in Docket No. ER24-3135-001, PJM submitted a compliance filing pursuant to the Commission's November 26, 2024 order accepting PJM's revisions for automating bid duration for economic load response participants in PJM's Energy Markets. PJM requested that the revisions have an indeterminate effective date, and PJM proposed to file an informational filing at least 30 days before implementation to inform the Commission of the actual date.

On January 22, 2025, in Docket No. ER25-1022-000, PJM submitted clerical and ministerial markets-related revisions originating from the Governing Document Enhancement & Clarification Subcommittee (the GDECS Filing) to correct, clarify, and/or make consistent certain markets-related provisions of the PJM Tariff, Operating Agreement, and Reliability Assurance Agreement. PJM requested that the revisions become effective as of March 24, 2025.

On January 20, 2025, in Docket No. EL25-20-000, PJM filed a Motion for Leave to Answer and Answer to various comments and pleadings. PJM responded to positions of other parties concerning how the Commission should address issues associated with co-located loads.

On January 17, 2025, in Docket No. ER25-962-000, PJM submitted the Interface Pricing Reform Proposal to remove Tariff and Operating Agreement language associated with the high/low and marginal cost proxy interface pricing methodologies. PJM requested that the revisions become effective as of March 19, 2025.

On January 17, 2025, in Docket No. ER25-967-000, PJM submitted an administrative clean-up filing to ensure the Tariff correctly reflects the Commission's accepted language in Tariff, Schedule 6A, effective December 1, 2024.

On January 17, 2025, in Docket No. ER21-209-004, PJM submitted on behalf of PECO Energy Company clean-up revisions to PJM Tariff, H-7A to update its current tariff and previous superseded versions of the tariff for accepted revisions from dockets pending during the period of Order No. 864 compliance. PECO Energy Company is requesting that these ministerial clean up changes be effective as of the effective dates previously established by FERC in the applicable dockets.

On January 16, 2025, in Docket No. EL25-46-000, PJM jointly submitted with Governor Josh Shapiro and the Commonwealth of Pennsylvania a request for the Commission to

extend the deadline to January 28, 2025 for PJM to submit an answer to the December 30, 2024 Complaint.