MC Legal Report Summary of Significant Filings, Legal Activity and Federal Energy Regulatory Commission (Commission) and Court Orders (March 7, 2025 – April 9, 2025)

ORDERS

On April 4, 2025, in Docket No. ER25-1248-000, the Commission accepted revisions to the PJM Operating Agreement, Schedule 12, and the RAA, Schedule 17, as supplemented on March 31, 2025, to: (i) add the new members; (ii) remove withdrawn members; (iii) reflect members' whose corporate names changed; and (iv) add new signatories to the RAA during the fourth quarter of 2024. The revisions are effective as of December 31, 2024.

On April 3, 2025, In Docket No. ER24-754-002, the Commission issued an Order accepting PJM's submission on behalf of Baltimore Gas and Electric Company of a compliance filing pursuant to the Commission's February 6, 2025 order, in Docket No. ER24-754-001, approving the executed, uncontested Settlement Agreement resolving all issues in Docket No. ER24-754 and all sub-dockets thereto. Pursuant to the Commission's order and consistent with the Settlement Agreement, the requested effective date of the PJM Tariff revisions is March 1, 2024.

On April 2, 2025, in Docket No. ER23-13-001, the Commission issued an Order rejecting the request for rehearing by Roy J. Shanker alleging that PJM's application of its Effective Load Carrying Capability (ELCC) process violated PJM's governing documents. The Order affirmed the June 27, 2024 Order that found: (i) PJM did not violate its Tariff, RAA, or other governing documents at any time; (ii) PJM's interpretation of the language at issue was "more consistent with the express requirements of the RAA, as well as the administrative record underlying the relevant language;" and (iii) Roy J. Shanker's allegations constituted a collateral attack on prior Commission orders and findings.

On April 1, 2025, in Docket Nos. EL22-80-000 and EL22-85-000, the Commission issued an Order on Paper Hearing, declining to require PJM to execute Designated Entity Agreements (DEAs) with relevant Designated Entities for Regional Transmission Expansion Plan projects that were approved by the PJM Board prior to the Commission's July 2024 Order in these dockets, but had not yet entered service and had not previously been issued DEAs.

On March 31, 2025, in Docket Nos. ER22-2359-000 and ER23-2964-000, the Commission issued an Order accepting PJM's and PJM Transmission Owners' submission of a Motion for Extension of Time to Comply with implementing the requirements of Order No. 881 and Order No. 881-A to a date no later than April 15, 2026.

On March 28, 2025, in Docket No. ER25-1325-000, the Commission issued an order granting PJM's request for waiver to delay posting the VRR Curve for the 2026/2027 Base Residual Auction from March 31, 2025 to April 28, 2025.

On March 28, 2025, in Docket No. ER25-1095-000, the Commission issued a letter order accepting PJM's 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's revisions to the PJM Tariff, Operating Agreement and Reliability Assurance Agreement become effective as of March 31, 2025.

On March 21, 2025, in Docket No. ER21-203-004, the Commission issued an Order accepting PJM's submission on behalf of Baltimore Gas and Electric Company of clean-up revisions to PJM Tariff, H-2A to update its current tariff and previous superseded versions of the PJM Tariff for accepted revisions from dockets pending during the period of Order No. 864 compliance. Baltimore Gas and Electric Company requested that these ministerial clean up changes be effective as of the effective dates previously established by the Commission in the applicable dockets.

On March 21, 2025, in Docket No. ER21-205-004, the Commission issued an Order accepting PJM's submission on behalf of Delmarva Power & Light Co. containing clean-up revisions to the 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. requested that these ministerial clean-up revisions be effective as of the effective dates previously accepted by the Commission in the applicable dockets.

On March 21, 2025, in Docket No. ER21-201-004, the Commission issued an Order accepting PJM's submission on behalf of Atlantic City Electric Co. containing 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. requested that these ministerial clean-up revisions be effective as of the effective dates previously accepted by the Commission in the applicable dockets.

On March 21, 2025, in Docket No. ER21-206-004, the Commission issued an Order accepting PJM's submission on behalf of Potomac Electric Power Company containing clean-up revisions to the PJM Tariff, 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 March 21, 2025, in Docket No. ER21-209-004, the Commission issued an Order accepting PJM's submission on behalf of PECO Energy Company containing clean-up revisions to the 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 requested that these ministerial clean up changes be effective as of the effective dates previously established by FERC in the applicable dockets.

On March 21, 2025, in Docket No. ER21-204-004, the Commission issued an Order accepting PJM's submission on behalf of Commonwealth Edison Company containing clean-up revisions to the PJM Tariff, H-13A 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. Commonwealth Edison Company requested that these ministerial clean up changes be effective as of the effective dates previously established by FERC in the applicable dockets.

On March 20, 2025, in Docket Nos. EL22-80-001 and EL22-85-001, the Commission issued an order on rehearing sustaining its July 25, 2024 order, granting in part and denying in part both the complaint by American Municipal Power, Inc., the Office of the People's Counsel for the District of Columbia, and the PJM Industrial Customer Coalition against PJM, and PJM's related FPA section 206 filing. The Commission reached the same conclusion that the Operating Agreement requires PJM to issue a Designated Entity Agreement for all baseline RTEP projects, except for those that address reliability violations on transmission facilities below 200 kV and thermal reliability violations on transmission substation equipment.

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

On March 14, 2025, in Docket No. ER23-1439-002, the Commission issued an errata order stating that PJM did not need to make a compliance filing in response to the Commission's February 21, 2025 letter order approving PJM's offer of settlement and settlement agreement related to the AD1-100 Interconnection Service Agreement.

On March 12, 2025, in Docket No. ER25-1128-000, the Commission issued a deficiency notice to PJM requesting additional information regarding PJM's proposed revisions to Tariff, Part VIII to enhance the process for transferring Capacity Interconnection Rights from deactivating generation resources to new replacement resources.

On March 10, 2025, in Docket No. ER25-962-000, the Commission issued an Order accepting PJM's Interface Pricing Reform Proposal to remove Tariff and Operating Agreement language associated with the high/low and marginal cost proxy interface pricing methodologies. PJM's revisions become effective as of March 19, 2025.

FILINGS

On April 9, 2025, in Docket No. EL25-72-000, PJM submitted a motion for an extension of time of 14 days from April 23, 2025 to May 7, 2025 to answer the complaint filed by Theresa and Alfred Ghiorzi regarding the scope changes to Project Baseline b3800. Also, PJM requested the Commission shorten the response period for its motion to 5 days, April 14, 2025.

On April 8, 2025, in Docket No. ER25-1633-000, PJM submitted its Motion to Intervene Out-of-Time and Comments describing its regional transmission planning process and explaining why the 2024 Window 1 Projects, including the Valley Link Portfolio Projects, were recommended for inclusion in PJM's Regional Transmission Expansion Plan.

On April 7, 2025, in Docket Nos. ER25-1453-000 (Lake Trout Solar LLC) and ER25-1673-000 (Paddlefish Solar LLC), PJM submitted a motion for leave to answer and answer in response to Honeysuckle's protests to several executed interconnection related agreements submitted for Commission approval.

On April 4, 2025, PJM submitted a letter in support of Presidential exemption requests that generation owners in the PJM region have submitted or will submit pursuant to section 112(i)(4) of the Clean Air Act.

On April 4, 2025, in Docket No. ER25-682-002, PJM submitted a motion for leave to answer and answer in response to the request for rehearing filed by Constellation Energy Generation, LLC of the Commission's February 14, 2025 order accepting PJM's proposal to recognize the resource adequacy contribution of resources retained under Reliability Must Run (RMR) agreements.

On April 3, 2025, in Docket No. ER25-1594-000, PJM filed a protest to Hickory Wind LLC's (Hickory Wind) March 13, 2025 request for waiver of Tariff, Part IV, Subpart A, section 36.2A.4. PJM argued that the waiver request should be denied, as the waiver request fails to satisfy the Commission's standards for waiver, and does not guarantee Hickory Wind the relief it ultimately seeks, which is to avoid having to submit a new Interconnection Request to reflect necessary modifications to its proposed project.

On April 3, 2025, in Docket No. EL25-72-000, Theresa and Alfred Ghiorzi (Complainants) submitted a complaint against PJM claiming that PJM violated its Tariff, manuals specific to the Regional Transmission Expansion Project (RTEP) process, and FERC Order No. 1000 regarding cost allocation principles. Complainants requested that the Commission issue an order directing PJM to rescind the scope changes to a specific RTEP baseline project and have the project be reverted to its initially approved configuration.

On March 31, 2025, in D.C. Circuit Court of Appeals Case No. 25-1091, PJM submitted its response in opposition to the Affirmed Energy's motion to stay FERC's orders accepting PJM's proposal to sunset the participation of Energy Efficiency Resources in PJM's capacity auctions starting with the Base Residual Auction associated with the 2026/2027 Delivery Year.

On March 31, 2025, in Docket No. ER25-1248-000, PJM filed a supplement to the fourth quarter 2024 membership filing submitted on February 7, 2025. PJM submitted the filing to include a corrected copy of Attachment C, which inadvertently listed four entities which were not withdrawn during the period between October 1, 2024 and December 31, 2024.

On March 28, 2025, in Docket No. ER22-1606-001 and EL21-39-000 (consolidated), PJM submitted comments in support of the Settlement Agreement and Offer of Settlement submitted in the above-captioned dockets on February 14, 2025 to resolve issues related to the application of the solution-based distribution factor (DFAX) methodology set forth in PJM Tariff, Schedule 12.

On March 28, 2025, in Docket No. ER25-712-000, PJM filed an answer to the requests for rehearing and clarification of the Commission's February 11, 2025 order accepting PJM's December 13, 2024 Reliability Resource Initiative (RRI) filing. PJM argued that not only did the requests fail to show that the Commission should grant rehearing, but that since the order was issued, PJM had received applications from close to 100 projects totaling 26.6 gigawatts of natural gas, battery storage, hybrid, nuclear, wind, and solar nameplate capacity to enter Transition Cycle #2 under the RRI procedures, further demonstrating the viability of the RRI process.

On March 28, 2025, in Docket No. ES25-37-000, PJM submitted an Application under section 204 of the Federal Power Act for an order authorizing the issuance of an unsecured promissory note in an amount not to exceed \$250 million, pursuant to an existing revolving line of credit. PJM requested that the order be issued no later than May 28, 2025, with a May 30, 2025 effective date.

On March 28, 2025, in Docket No. ER25-1811-000, PJM submitted proposed revisions to PJM Tariff, Schedule 12-Appendix A, to incorporate cost responsibility assignments for baseline upgrades included in the recent update to the RTEP approved by the PJM Board of Managers on February 26, 2025. PJM requested an effective date of June 26, 2025, 90 days after the date of its initial filing, to allow a 30 day comment period. In addition, PJM submitted ministerial clean-up revisions to correct two cost assignments included in its 2025 Cost Allocation Update Filing with a proposed effective date of January 1, 2025.

On March 28, 2025, in Docket No. ER25-1809-000, PJM submitted on behalf of PECO Energy Company (PECO) the annual filing required by PECO's formula rate implementation protocols revising the depreciation and amortization rates set forth in PECO's transmission formula rate template (PJM Tariff, Attachment H-7A). PECO requested an effective date of May 28, 2025.

On March 28, 2025, in Docket No. ER25-1813-000, PJM submitted revisions to the PJM Reliability Assurance Agreement Among Load Serving Entities to add two new ELCC Classes, (i.e., Oil Fired Combustion Turbine Class and Waste to Energy Steam Class) to be effective with the 2027/2028 Delivery Year. PJM requested the proposed revisions become effective on May 28, 2025.

On March 25, 2025, in Docket No. ER25-1759-000, PJM submitted a ministerial clean-up filing to ensure that The Procedure to Protect for Loss of Phase II Imports, previously designated as Rate Schedule 43, is redesignated as Rate Schedule 50. PJM requested that Rate Schedule 50 be effective as of January 16, 2007, as the Commission previously accepted.

On March 24, 2025, in Docket No. RM25-3-000, PJM, along with the California Independent System Operator Corporation (CAISO), ISO New England Inc. (ISO-NE), the Midcontinent Independent System Operator, Inc. (MISO), and the Southwest Power Pool, Inc. (SPP) filed joint comments in response to the Commission's December 19, 2024 Notice of Proposed Rulemaking (NOPR) regarding Reliability Standards for frequency and voltage protection settings and ride-through for inverter-based resources.

On March 24, 2025, in Docket No. EL25-49-000, PJM submitted its response to the Commission's February 20, 2025 Order instituting a Section 206 investigating regarding co-located load in PJM.

On March 24, 2025, in Docket No. EL25-63-000, PJM filed an answer to Savion, LLC's (Savion) March 3, 2025 complaint. PJM argued that Savion had not shown that PJM violated the Tariff or acted contrary to the terms and conditions of the Interconnection Construction Service Agreement among PJM, Savion's affiliate, and Kentucky Power Company, in determining that the Martin County Solar Project cannot enter suspension because the Interconnected Transmission Owner work associated with the agreement is complete. Accordingly, PJM argued that the complaint should be denied.

On March 20, 2025, in Docket No. EL25-44-000, PJM filed a Motion to Dismiss, Conditional Motion to Intervene, and Answer to the December 19, 2024 Complaint of the Industrial Energy Consumers, et al., which seeks changes to local transmission planning tariffs.

On March 19, 2025, in Docket No. EL24-148-000, PJM submitted to the Commission a motion to dismiss the September 27, 2024 complaint of Sierra Club, Natural Resources Defense Council, Public Citizen, Sustainable FERC Project, and the Union of Concerned Scientists.

On March 14, 2025, in Docket No. ER25-1633-000, PJM submitted on behalf of Valley Link Transmission Maryland, LLC, Valley Link Transmission Virginia, LLC, and Valley Link Transmission West Virginia, LLC, a request for: (i) acceptance of formula rates for each company, consisting of a formula rate template and implementation protocols (together, Formula Rate), to determine and recover the costs of each company's respective investments in transmission facilities located in the PJM region and awarded through PJM's competitive RTEP selection process; and (ii) approval of certain FPA Section 219 transmission incentive rate treatments in connection with each company's respective investment in the Valley Link Project Portfolio.

On March 13, 2025, in D.C. Circuit Court of Appeals Case No. 24-1164, PJM submitted a letter notifying the Court that PJM supports the arguments offered in FERC's Feb. 28, 2025 response brief. The matter is an appeal by the PJM Independent Market Monitor (Market Monitor) from the Commission's denial of the Market Monitor's Complaint, pursuant to section 206 of the Federal Power Act, asking the Commission to direct PJM to allow the Market Monitor to register for or participate in meetings between the PJM Liaison Committee and the Board.

On March 13, 2025, in Docket No. ER23-1784-003, PJM, in compliance with Commission's October 10, 2024 order, notified the Commission of a March 10, 2025 effective date for previously accepted revisions to the Tariff, section 4.2 to incorporate by reference the North American Energy Standards Board Wholesale Electric Quadrant Version 3.3 Business Practice Standard related to the cryptographic security module, in compliance with the requirements of Order No. 676-J.

On March 12, 2025, in Docket No. ER25-1138-000, PJM filed a Motion for Leave to Answer and Answer to Steel Dynamics, Inc.'s February 24, 2025 Motion to Intervene and Protest (Protest). PJM argued that the Commission should disregard the Protest and accept the executed Generation Interconnection Agreement entered into among PJM, Sculpin Solar LLC, and AEP Indiana Michigan Transmission Company, Inc., designated as Original Service Agreement No. 7508 as filed, effective January 3, 2025.

On March 10, 2025, in Docket No. ER25-1073-000, PJM submitted a motion for leave to answer and answer to various comments and protests in the PJM Order No. 904 compliance proceeding related to reactive power compensation.

On March 10, 2025, in Docket No. EL25-51-000, PJM filed an answer in Honeysuckle Solar, L.L.C.'s (Honeysuckle) complaint proceeding relating to a dispute about the cost allocation of a Network Upgrade. The answer addresses arguments raised in Honeysuckle's answer filed February 24, 2025.

On March 10, 2025, in Docket No. ER25-1544-000, PJM submitted on behalf of itself and other settling parties an Offer of Settlement that includes revisions to Tariff, Parts VII and VIII to resolve all issues in the Docket No. EL25-22-000 complaint proceeding.