

191 FERC ¶ 61,189
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Mark C. Christie, Chairman;
David Rosner, Lindsay S. See,
and Judy W. Chang.

PJM Interconnection, L.L.C.

Docket Nos. ER25-1544-000

American Clean Power Association
Solar Energy Industries Association
Advanced Energy United

EL25-22-000

v.

PJM Interconnection, L.L.C.

ORDER APPROVING UNCONTESTED SETTLEMENT AND
DISMISSING COMPLAINT

(Issued June 10, 2025)

1. On November 26, 2024, in Docket No. EL25-22-000, pursuant to sections 206, 306, and 309 of the Federal Power Act (FPA)¹ and Rules 206 and 212 of the Commission’s Rules of Practice and Procedure,² American Clean Power Association (ACPA), Solar Energy Industries Association (SEIA), and Advanced Energy United (collectively, Complainants) filed a complaint against PJM Interconnection, L.L.C. (PJM) regarding the interpretation of the “adjacent parcels” requirement for project developers to demonstrate Site Control in PJM’s interconnection procedures (Complaint).³

¹ 16 U.S.C. §§ 824e, 825e, 825h.

² 18 C.F.R. §§ 385.206, 385.212 (2024).

³ Capitalized terms that are not defined in this order have the meaning specified in the PJM Open Access Transmission Tariff (Tariff).

2. On March 10, 2025, pursuant to Rule 602 of the Commission's Rules of Practice and Procedure,⁴ in Docket No. ER25-1544-000, PJM filed an Offer of Settlement (Settlement) to resolve all the claims and issues raised in the Complaint.

3. As discussed below, we find that the Settlement is uncontested and approve it as it appears to be fair and reasonable and in the public interest. We also direct PJM to submit a compliance filing with revised tariff records in eTariff format, effective the date of this order. Given our approval of the Settlement, which resolves the parties' dispute in the Complaint proceeding, we dismiss the Complaint.

I. Complaint

4. Complainants state that, as part of PJM's 2022 generator interconnection reforms, PJM proposed new Site Control requirements for project developers, including permitting project developers to make changes to a project's site if, among other things, the initial site and proposed site are on "adjacent parcels."⁵ Complainants state that the Commission accepted PJM's Site Control requirements, including PJM's description of how it would treat "adjacent parcels," based on PJM's representations in its response to a deficiency letter in the interconnection reforms proceeding.⁶ Complainants contend that, beginning in April 2024, PJM began offering shifting "guidance" to stakeholders on how they could add and drop parcels at Decision Point I, which contradicted PJM Manual 14H, section 7.2.2 and PJM's Tariff.⁷ Complainants request that the Commission address and correct PJM's guidance on project developers' ability to make changes to their project sites by adding and dropping parcels during Decision Point I.⁸ Complainants argue that PJM has acted in an unjust and unreasonable manner by failing to include key provisions in the Tariff and implementing policies and guidelines that are unjust and unreasonable and that are inconsistent with the provisions of the Tariff, the underlying intent of the Interconnection Reform Order, and Commission precedent and policy.⁹

⁴ 18 C.F.R. § 385.602.

⁵ Complaint at 2 (citing *PJM Interconnection, L.L.C.*, 181 FERC ¶ 61,162 (2022) (Interconnection Reform Order)).

⁶ *Id.* (citing Interconnection Reform Order, 181 FERC ¶ 61,162 at P 103).

⁷ *Id.* at 3.

⁸ *Id.* at 3-5, 25-26.

⁹ *Id.* at 14-23, 24.

II. Notices and Responsive Pleadings

5. Notice of the Complainants' filing in Docket No. EL25-22-000 was published in the *Federal Register*, 89 Fed. Reg. 96236 (Dec. 4, 2025), with interventions and protests due on or before December 16, 2024. On December 10, 2024, the Commission issued a notice extending the deadline for filing answers, interventions, and comments to January 10, 2025.

6. On December 26, 2024, PJM filed a motion requesting that the Commission hold the Complaint proceeding in abeyance until February 10, 2025. On December 31, 2024, the Commission issued a notice granting PJM's motion and extending the deadline for filing answers, interventions, and comments in the above-captioned proceeding until February 10, 2025.

7. On February 6, 2025, Complainants filed a motion requesting that the Commission continue to hold the Complaint proceeding in Docket No. EL25-22-000 in abeyance until March 10, 2025. On February 10, 2025, the Commission issued a notice granting Complainants' motion and extending the deadline for filing answers, interventions, and comments in the above-captioned proceeding until March 10, 2025.

8. Acciona Energy USA Global LLC; American Electric Power Service Corporation (AEPSC);¹⁰ Calpine Corporation (Calpine); Clearway Energy Group LLC; Constellation Energy Generation, LLC; Cordelio Services LLC; Crete Energy Venture, LLC; Dominion Energy Services, Inc.; EDF Renewables, Inc. (EDF); Lincoln Generating Facility, LLC; LS Power Development, LLC; Monitoring Analytics, LLC, acting in its capacity as the Independent Market Monitor for PJM (Market Monitor); Orsted Wind Power North America LLC; Pine Gate Renewables, LLC; PJM Power Providers Group; PPL Electric Utilities Corporation; Public Citizen, Inc.; REV Renewables, LLC; RWE Clean Energy, LLC; and VC Renewables LLC filed timely motions to intervene in Docket No. EL25-22-000.

9. On March 10, 2025, in Docket No. ER25-1544-000, PJM filed the Settlement. Also on March 10, 2025, in both Docket Nos. EL22-25-000 and ER25-1544-000, PJM filed a notice of the Settlement filing.

¹⁰ AEPSC moves to intervene on behalf of its affiliates Appalachian Power Company, Indiana Michigan Power Company, Kentucky Power Company, Kingsport Power Company, Ohio Power Company, Wheeling Power Company, AEP Appalachian Transmission Company, Inc., AEP Indiana Michigan Transmission Company, Inc., AEP Kentucky Transmission Company, Inc., AEP Ohio Transmission Company, Inc., and AEP West Virginia Transmission Company, Inc. (collectively, AEP), and AEP Energy Partners, Inc. (AEP Energy Partners).

10. Notice of the PJM's Settlement filing in Docket No. ER25-1544-000 was published in the *Federal Register*, 90 Fed. Reg. 12311 (Mar. 17, 2025), with interventions and protests due on or before March 31, 2025. AEPSC;¹¹ Avangrid Power, LLC; Calpine; Enel Green Power North America, Inc.; Market Monitor; and SEIA filed timely motions to intervene in Docket No. ER25-1544-000. No comments were filed.

11. On May 28, 2025, PJM filed a request that the Commission approve the Settlement, without modification, no later than June 11, 2025 so that the *pro forma* Tariff revisions included in the Settlement may be made effective as soon as possible. PJM states that it expects that Decision Point III of Transition Cycle 1 and Decision Point I of Transition Cycle 2 will commence in September 2025. PJM states that, to provide clarity regarding the upcoming requirements for project developers, it must update its manuals to reflect the revisions and cannot begin in earnest until the *pro forma* Tariff revisions become effective.

III. Settlement

12. The Settlement states that it resolves all claims and issues raised in the Complaint, and that PJM, Complainants, and EDF (collectively, Settling Parties) agree to the terms and conditions set forth in the Settlement. Article 3 of the Settlement states that PJM submits with the Settlement *pro forma* Tariff records to revise certain portions of Tariff, Part VII, Subpart D, and Tariff, Part VII, Subpart C, concerning Site Control evidence and changes to project Sites at Decision Points I, II, and III, and in Tariff, Part IX, Subpart B, Appendix 2, section 3, concerning modification of facilities, as agreed among the Settling Parties.¹² The Settlement also states that PJM will make a compliance filing as directed by the Commission in an order approving the Settlement without material modification or condition or subject to modification or condition acceptable to all Settling Parties, to convert the *pro forma* Tariff records submitted with the Settlement to active Tariff records.¹³ Article 4 of the Settlement states that as part of the resolution of the Complaint through the Settlement, EDF agrees to file with the Commission in Docket No. ER24-2045-000 a notice of withdrawal of the portions of EDF's comments and reply comments in that docket that addressed Site Control and adjustments to Site Control parcels through Decision Point III.

¹¹ AEPSC moves to intervene on behalf of AEP and AEP Energy Partners.

¹² Settlement at 4.

¹³ *Id.* at 4-5.

13. Section 6.4 of the Settlement states that:

The standard of review for any proposed changes to the terms of this Settlement unilaterally sought by a Settling Party shall be the “public interest” standard of review commonly referred to as the “*Mobile Sierra*” standard of review. *See NRG Power Mktg., LLC v. Maine Pub. Utils. Comm’n*, 558 U.S. 165 (2010); *Morgan Stanley Cap. Grp. Inc. v. Pub. Util. Dist. No. 1*, 554 U.S. 527 (2008); *United Gas Pipe Line Co. v. Mobile Gas Serv. Corp.*, 350 U.S. 332 (1956); *FPC v. Sierra Pac. Power Co.*, 350 U.S. 348 (1956). The standard of review for any modifications to this Settlement proposed by any other person or entity, including any modifications resulting from the Commission acting *sua sponte*, will be the most stringent standard permitted by law.

IV. Discussion

A. Procedural Matters

14. Pursuant to Rule 214 of the Commission’s Rules of Practice and Procedure, 18 C.F.R. § 385.214, the timely, unopposed motions to intervene serve to make the entities that filed them parties to Docket No. EL25-22-000.

15. Pursuant to Rule 214 of the Commission’s Rules of Practice and Procedure, 18 C.F.R. § 385.214, the timely, unopposed motions to intervene serve to make the entities that filed them parties to Docket No. ER25-1544-000.

B. Substantive Matters

16. As discussed below, the Settlement appears to be fair and reasonable and in the public interest, and is hereby approved. Given our approval of the Settlement, which resolves the parties’ dispute in the Complaint proceeding, we dismiss the Complaint.

17. Because the Settlement appears to provide that the standard of review applicable to modifications to the Settlement proposed by a Settling Party is to be the “public interest” standard of review but appears to provide that the standard of review applicable to modifications to the Settlement proposed by third parties and the Commission acting *sua sponte* is to be “the most stringent standard permitted by law,”¹⁴ we clarify the

¹⁴ Settlement § 6.4.

framework that would apply if the Commission were required to determine the standard of review in a later challenge to the Settlement by a third party or by the Commission acting *sua sponte*.

18. The *Mobile-Sierra* “public interest” presumption applies to an agreement only if the agreement has certain characteristics that justify the presumption. In ruling on whether the characteristics necessary to justify a *Mobile-Sierra* presumption are present, the Commission must determine whether the agreement at issue embodies either (1) individualized rates, terms, or conditions that apply only to sophisticated parties who negotiated them freely at arm’s length; or (2) rates, terms, or conditions that are generally applicable or that arose in circumstances that do not provide the assurance of justness and reasonableness associated with arm’s-length negotiations. Unlike the latter, the former constitute contract rates, terms, or conditions that necessarily qualify for a *Mobile-Sierra* presumption.¹⁵ In *New England Power Generators Association v. FERC*,¹⁶ however, the D.C. Circuit determined that the Commission is legally authorized to impose a more rigorous application of the statutory “just and reasonable” standard of review on future changes to agreements that fall within the second category described above.

19. The Settlement resolves all issues in Docket No. EL25-22-000. The Settlement appears to be fair and reasonable and in the public interest, and is hereby approved. The Commission’s approval of the Settlement does not constitute approval of, or precedent regarding, any principle or issue in these proceedings.

20. We note that two cross references to subsections in the revised tariff records appear to include typographical errors. First, Tariff, Part VII, Subpart D, section 309 Decision Point I, newly renumbered subsection 309(B)(5)(b) references the verification procedures set forth in section 309(A)(2)(c), but that section does not include such verification procedures and it appears the intended cross reference may be section 309(A)(1)(b) instead. Second, Tariff, Part VIII, Subpart C, section 410 Decision Point III, in subsection 410(A)(1)(c)(i)(a) the new language references section 408(C), which does not exist and appears to be intended to reference section 410(C). We direct PJM to correct these cross references or explain why no corrections are needed in the compliance filing discussed below.

¹⁵ *Panhandle E. Pipe Line Co.*, 143 FERC ¶ 61,041, at P 84 (2013); *Entergy Ark., Inc.*, 143 FERC ¶ 61,299, at P 92 (2013).

¹⁶ *New England Power Generators Ass’n v. FERC*, 707 F.3d 364, 370-371 (D.C. Cir. 2013).

21. PJM is directed to make a compliance filing with revised tariff records in eTariff format, effective the date of this order,¹⁷ within 30 days of this order, to reflect the Commission's action in this order.¹⁸

The Commission orders:

(A) The Settlement is hereby approved, as discussed in the body of this order.

(B) The Complaint is hereby dismissed, as discussed in the body of this order.

(C) PJM is hereby directed to submit a compliance filing within 30 days of the date of this order, as discussed in the body of this order.

By the Commission.

(S E A L)

Carlos D. Clay,
Deputy Secretary.

¹⁷ See *Elec. Tariff Filings*, Order No. 714, 124 FERC ¶ 61,270 (2008), *order on reh'g*, Order No. 714-A, 147 FERC ¶ 61,115 (2014).

¹⁸ See *supra* P 12.