UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

PJM Interconnection, L.L.C.) Docket Nos. ER22-2931
PJM Interconnection, L.L.C.	EL24-26
PJM Interconnection, L.L.C.	ER24-2690 (consolidated)

REQUEST FOR CLARIFICATION AND EXPEDITED CONSIDERATION OF PJM INTERCONNECTION, L.L.C.

PJM Interconnection, L.L.C. ("PJM"), pursuant to section 313 of the Federal Power Act ("FPA"), 16 U.S.C. § 825*l*, and the Federal Energy Regulatory Commission's ("FERC" or "Commission") Rules 212 and 713, 18 C.F.R. §§ 385.212, 385.713, submits this request for clarification of the Commission's June 2, 2025 order in these proceedings¹ and expedited consideration no later than July 2, 2025, for the reasons detailed below.

PJM seeks clarification that the June 2 Order's directive as to PJM's Open Access Transmission Tariff ("Tariff")², Part IX, Subpart B, Appendix 2, Section 23.3.3 ("GIA Compliance Directive") is limited to the Commission's finding that the *pro forma* Generation Interconnection Agreement ("GIA") is unjust and unreasonable for failing to identify the entity responsible for using efforts to obtain third-party land rights.³ PJM further requests that the Commission clarify that the GIA Compliance Directive does not

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¹ *PJM Interconnection, L.L.C.*, 191 FERC ¶ 61,182 (2025) ("June 2 Order").

² Capitalized terms not defined herein have the meaning set forth in the Tariff.

³ June 2 Order at P 51.

alter the obligations on Project Developers to demonstrate Site Control at all required stages of the interconnection process as prescribed under the currently effective Tariff.⁴

As explained below, PJM requests that the Commission act expeditiously on this request to ensure the necessary clarifications are in place ahead of upcoming Decision Points in Transition Cycles 1 and 2 of the reformed interconnection process, which are expected to commence in September 2025.

I. BACKGROUND

In its December 20, 2023 order to show cause, the Commission directed PJM to "explain what changes to its Tariff it believes would remedy the identified concerns if the Commission were to determine that the Tariff has . . . become unjust and unreasonable or unduly discriminatory or preferential and, therefore, were to proceed to establish a replacement Tariff." In its April 29, 2024 answer, PJM submitted an illustrative example of revisions to the *pro forma* Interconnection Construction Service Agreement ("ICSA") to clarify the responsibility for acquiring third-party land rights. To address the Commission's concerns in the context of the *pro forma* GIA, PJM submitted proposed Tariff revisions in its August 2, 2024 compliance filing to tie third-party land acquisition obligations to the Site Control requirements in Tariff, Part VII, Subpart A, section 302, and Tariff, Part VIII, Subpart A, section 402. PJM explained that these proposed revisions were just and reasonable because they clearly identify the party responsible "for engaging

⁴ See PJM Open Access Transmission Tariff, Part VII, Subpart C, section 306, and Subpart D, sections 309 and 312 ("Tariff"); Tariff, Part VIII, Subpart B, section 403, and Subpart C, sections 406 and 410.

⁵ *PJM Interconnection, L.L.C.*, 185 FERC ¶ 61,202, at P 41 (2023) ("Show Cause Order").

⁶ See PJM Interconnection, L.L.C., Answer to Motion for Summary Disposition and Motion for Leave to Answer and Answer of PJM Interconnection, L.L.C., Docket Nos. ER22-2931-000, et al., at 8-9 (Apr. 29, 2024) ("Show Cause Answer").

⁷ *PJM Interconnection*, *L.L.C.*, Compliance Filing of PJM Interconnection, L.L.C., Docket No. ER24-2690-000 (Aug. 2, 2024) ("August 2 Filing").

in . . . efforts" to obtain necessary third-party land and land rights while also providing the Project Developer and Transmission Owner with the option to negotiate a just and reasonable alternative procurement proposal within the established Final Agreement Negotiation Phase provisions.⁸

The June 2 Order held that PJM's *pro forma* ICSA is unjust and unreasonable "because it does not identify the entity responsible for using efforts to acquire land rights from third parties" as required in the Commission's *pro forma* Large Generator Interconnection Agreement ("LGIA") adopted in Order No. 2003. The Commission concluded that PJM's illustrative example in the Show Cause Answer would "clarify the responsibility for acquiring third-party land rights" and directed PJM to submit a compliance filing reflecting the following revisions to Tariff, Attachment P, Appendix 2, section 5.3:

If any part of the Transmission Owner Interconnection Facilities and/or Network Upgrades is to be installed on property owned or controlled by persons other than Interconnection Customer or Interconnected Transmission Owner, the Interconnected Transmission Owner shall at Interconnection Customer's expense use efforts, similar in nature and extent to those that it typically undertakes for its own or affiliated generation, including use of its eminent domain authority, and to the extent consistent with state law, to procure from such person any rights of use, licenses, rights of way and easements that are necessary to construct, operate, maintain, test, inspect, replace or remove the Transmission Owner Interconnection Facilities and/or Network Upgrades upon such property. 11

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⁸ August 2 Filing at 15 (quoting Show Cause Order at P 39 n.91).

⁹ June 2 Order at P 48 (citing *pro forma* LGIA, art. 5.13). Importantly, the Commission noted that the paper hearing question in this proceeding "was not about who will pay for the 'efforts' to acquire the third-party land, but rather who will be responsible for engaging in those efforts." June 2 Order at P 48 n.90.

¹⁰ June 2 Order at P 49.

¹¹ June 2 Order at PP 21, 49 (citing Show Cause Answer at 9).

The June 2 Order held that the *pro forma* GIA was also unjust and unreasonable for similarly failing to identify the entity responsible for using efforts to acquire third-party land rights. The June 2 Order rejected PJM's proposed Tariff changes as "beyond the focus of the paper hearing" and ordered PJM to revise Appendix 2, section 23.3.3 of the *pro forma* GIA "in the same manner that we are requiring PJM to modify section 5.3 of its *pro forma* ICSA. . . ."13

II. REQUEST FOR CLARIFICATION

PJM will comply with the requirement to modify both the *pro forma* ICSA and the *pro forma* GIA as directed, and will submit a compliance filing on or before July 2, 2025, to effectuate the necessary Tariff changes. ¹⁴ However, the GIA Compliance Directive does not address the fact that the interconnection process applicable to the *pro forma* ICSA (Tariff, Parts IV and VI) has been effectively superseded by the reformed interconnection process applicable to the *pro forma* GIA (Tariff, Parts VII and VIII). As PJM explained in the August 2 Filing, the reformed interconnection process requires Project Developers to acquire Site Control from the Generating Facility to the Point of Interconnection, including Site Control over required third-party land, in order to promote efficiency and discourage speculative projects from remaining in the queue. ¹⁵ These Site Control requirements include the demonstration of conveyance, which requires a "Project Developer [to] demonstrate that the subject Site is or will be conveyed to the Project Developer, e.g., through a deed or an option to purchase or lease or other form of property rights acceptable

¹² June 2 Order at P 51.

¹³ June 2 Order at P 51 & n.97 (noting that PJM may use the terminology in Tariff, Parts VII and VIII to align with the terminology in the *pro forma* GIA).

¹⁴ See August 2 Filing at 9 & n.43 (noting that the pro forma ICSA has been superseded by the GIA).

¹⁵ August 2 Filing at 4.

to PJM, or that the Project Developer is guaranteed a right to future conveyance at Project Developer's sole discretion." PJM's proposed Tariff revisions were intended to align the third-party land obligations with the more stringent Site Control under the reformed interconnection process. However, in the June 2 Order the Commission found those proposed Tariff revisions beyond the scope and imposed the same requirement for both the *pro forma* ICSA and GIA, thereby introducing potential ambiguity as to Project Developers' obligation to fully comply with the Site Control requirements under the reformed interconnection process that PJM has been applying to Transition Cycle 1 and 2 projects.

In light of the potential for misinterpretation of the Site Control requirements under Tariff, Parts VII and VIII, PJM requests that the Commission clarify that the GIA Compliance Directive is limited to the language change needed to address its finding that "the *pro forma* GIA does not identify the entity responsible for using efforts to acquire land rights from third parties and does not directly address the parties' obligations with respect to acquiring third-party land rights." PJM further requests that the Commission clarify that the revised language PJM must include in the *pro forma* GIA does not alter the obligations on Project Developers to demonstrate Site Control at *all* required stages of the interconnection process as prescribed under the currently effective Tariff.

A. The Commission Should Clarify that the GIA Compliance Directive Is Limited to Its Finding that the Pro Forma GIA Does Not Identify the Entity Responsible to Use Efforts to Obtain Third-Party Land Rights.

With respect to both the *pro forma* ICSA and GIA, the June 2 Order held that the Tariff was unjust and unreasonable for failing to "identify the entity responsible" to use

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¹⁶ See Tariff, Part VII, Subpart A, section 302(A)(8)(c).

¹⁷ June 2 Order at P 51.

efforts to obtain third-party land rights. ¹⁸ PJM therefore asks the Commission to clarify that its findings, particularly with respect to the GIA Compliance Directive, are limited to its conclusion that the Tariff does not identify the entity responsible to use efforts to obtain third party land rights, requiring revisions to both the *pro forma* ICSA and GIA. Absent this clarification, parties may misconstrue the GIA Compliance Directive as incompatible or inconsistent with the Site Control requirements of the revised interconnection process under Tariff, Parts VII and VIII, which differs from the prior process under Parts IV and VI that applies to the ICSA. The requested clarification will ensure that no participant in the interconnection process misinterprets the GIA Compliance Directive more broadly so as to weaken or lessen Project Developers' obligations to demonstrate Site Control under Tariff, Parts VII and VIII.

B. The Commission Should Clarify that the Revisions to Tariff, Part IX, Subpart B, Appendix 2, Section 23.3.3 Do Not Alter Project Developers' Obligations to Demonstrate Site Control at Any Stage of the Interconnection Process.

The June 2 Order imposes an obligation on Transmission Owners to "use efforts" to procure third party land rights needed for Transmission Owner Interconnection Facilities and/or Network Upgrades. ¹⁹ In doing so, the June 2 Order does not address how or whether this requirement relates to the obligations under Tariff, Parts VII and VIII for Project Developers to demonstrate Site Control, thereby creating an ambiguity that may undermine PJM's efforts to efficiently process its interconnection queue.

"Requiring evidence of Site Control at several stages of the New Service Request process is critical to reducing the number of speculative projects entering the

¹⁹ June 2 Order at PP 49, 51.

¹⁸ June 2 Order at PP 48, 51.

interconnection queue."²⁰ PJM explained in the August 2 Filing that under its new interconnection rules, Project Developers are required to demonstrate Site Control for land necessary to complete a New Service Request, including for Transmission Owner Interconnection Facilities and Network Upgrades.²¹ Project Developers are responsible for obtaining Site Control from the Generating Facility to the Point of Interconnection, including in circumstances where the path to the Point of Interconnection crosses over third-party land or where the Generating Facility requires a new substation. A Project Developer is obligated to demonstrate increasing levels of Site Control, from the time an Application and Studies Agreement is submitted, through and including Decision Points I, II, and III in the New Service Request process, as a condition of retaining its position in a Cycle.²²

PJM is concerned that the GIA Compliance Directive's requirements concerning Transmission Owner "efforts" may introduce ambiguity into Project Developers' Site Control obligations during a critical period leading up to the Decision Points that Project Developers in Transition Cycles 1 and 2 are scheduled to navigate this September.²³ For example, Project Developers are required to demonstrate 50% Site Control of Interconnection Facilities and Interconnection Switchyard facilities by Decision Point I and 100% Site Control by Decision Point III.²⁴ The term Interconnection Switchyard, as used in connection with Site Control obligations, includes Transmission Owner Interconnection

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²⁰ See August 2 Filing at 4 (explaining PJM's rationale for proposing the revised Site Control requirements as part of in its integrated reformed interconnection process filing package).

²¹ August 2 Filing at 3 (citing Tariff, Part VII, Subpart A, section 302; Tariff, Part VIII, Subpart A, section 402).

²² August 2 Filing at 4.

²³ See infra n.28.

²⁴ See, e.g., Tariff, Part VII, Subpart D, sections 309(A)(1)(b)(i) and 313(A)(1)(c).

Facilities.²⁵ As such, the Tariff currently obligates Project Developers to demonstrate Site Control, including for third-party land needed for Transmission Owner Interconnection Facilities and Network Upgrades, in order to proceed with New Service Requests. While the GIA Compliance Directive does not shift the burden to Transmission Owners to actually procure land needed for Transmission Owner Interconnection Facilities and Network Upgrades, it is silent on the question of whether a Transmission Owner's obligation to "use efforts" to obtain such land at a Project Developer's expense affects or alters the Project Developer's requirement to demonstrate Site Control for such land.

PJM's proposed Tariff revisions to Part VII, section 302 and Part VIII, section 402, attempted to eliminate any ambiguity as between Transmission Owner and Project Developer responsibilities by explicitly tying a Transmission Owner's responsibility for third-party land rights to land needs identified during the Facilities Study phase of the interconnection process, and limiting that obligation to land not already required as part of the Project Developer's demonstration of Site Control. That structure was designed to maintain harmony with the existing Site Control milestones in Parts VII and VIII. The Commission's finding that these revisions were beyond the scope of the paper hearing question raises concerns that the GIA Compliance Directive may be read as *absolving* Project Developers of the responsibility to demonstrate Site Control for land that must be obtained from a third-party for Transmission Owner Interconnection Facilities and

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²⁵ See, e.g., PJM Manual 14H: New Service Requests Cycle Process, PJM Interconnection, L.L.C., section 4.9.1 (Mar. 19, 2025), https://www.pjm.com/-/media/DotCom/documents/manuals/m14h.pdf (depicting generator interconnecting to transmission line for which the Transmission Owner requires an interconnection switchyard as part of Transmission Owner Interconnection Facilities necessary to accommodate interconnection).

²⁶ August 2 Filing at 16.

Network Upgrades, a reading that is surely at odds with the Commission's intent.²⁷ PJM therefore requests that the Commission clarify that the GIA Compliance Directive does not alter Project Developers' obligations to demonstrate Site Control as set forth in Tariff, Parts VII and VIII.

III. REQUEST FOR EXPEDITED CONSIDERATION

PJM requests that the Commission act expeditiously on this request for clarification to affirm Project Developers' understanding of the clearly stated Site Control obligations set forth in Tariff, Parts VII and VIII. PJM is currently in Phase III of Transition Cycle 1 of its reformed interconnection process, and expects that Decision Point III of Transition Cycle 1 will commence on September 2, 2025, and Decision Point I of Transition Cycle 2 will commence on September 25, 2025. To provide certainty regarding the upcoming requirements for Project Developers in Transition Cycles 1 and 2, PJM asks that the Commission act on this request for clarification as expeditiously as possible, but no later than July 2, 2025.

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²⁷ See June 2 Order at P 51.

²⁸ See Planning, PJM Interconnection, L.L.C., https://www.pjm.com/planning (last visited June 13, 2025) (see "Cycle Timeline" chart located at the bottom of the page).

IV. CONCLUSION

PJM requests that the Commission act expeditiously to clarify the June 2 Order, as set forth in Section II above.

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June 17, 2025

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, D.C., this 17th day of June 2025.

/s/ Elizabeth P. Trinkle
Attorney for PJM Interconnection, L.L.C.