

Virginia Electric and Power Co.) Docket No. ER25-3167-000

Pursuant to Rules 213 and 214 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“Commission”), 18 C.F.R. §§ 385.213 and 385.214, and the Commission’s August 13, 2025 Combined Notice of Filings #1, PJM Interconnection, L.L.C. (“PJM”) submits this motion to intervene and comments in support of the Request of Virginia Electric and Power Company for Limited Waivers and Request for Shortened Comment Period and Expedited Treatment¹ filed in the captioned docket by Dominion Energy Services, Inc., on behalf of Virginia Electric and Power Company, the state-regulated public utility (“VEPCO”), as discussed below.²

In the Waiver Request, VEPCO seeks to waive certain provisions in Part VII³ of the PJM Open Access Transmission Tariff (“Tariff”) that require Project Developers to post Security as such provisions apply to (1) interconnection-related service agreements

² On August 15, 2025, in Docket No. ER25-3194-000, PJM submitted a ministerial amendment to the Consolidated Transmission Owners Agreement to update the listing of Virginia Electric and Power Company to reflect the change from its former trade name of “Dominion Virginia Power” to its current trade name of “Dominion Energy Virginia.”

³ The Waiver Request cites Tariff, Part VII, Subpart D, section 313(A)(1)(a), which addresses the calculation of Security. PJM interprets the Waiver Request as seeking waiver of the requirement to post security under section 313(A)(1). The Waiver Request also cites to Tariff, Part VII, Subpart D, section 314(B)(4), which details the execution and filing process in the Final Agreement Negotiation Phase; PJM interprets the Waiver Request as intending to seek waiver of the requirement to provide any Security adjustment pursuant to section 314(B)(4)(a)(iv), rather than seeking a waiver of section 314(B) in its entirety. Finally, PJM interprets the citation to Tariff, Part VII, Subpart G, section 336 as intending to reference section 336(B)(3)(b)(1); PJM is unsure as to the applicability of this section to the requested waivers.

for projects in which VEPCO is both the Project Developer and Transmission Owner (“VEPCO-VEPCO Projects”) and (2) related Network Upgrade Cost Responsibility Agreements (“NUCRAs”) where VEPCO, in its capacity as a Project Developer, and other third-party Project Developers are parties to such agreements. As noted by VEPCO, PJM supports the Waiver Request,⁴ which is limited to the sixteen VEPCO-VEPCO Projects in Transition Cycle No. 1.⁵

PJM submits, however, that its Tariff does not require revisions to address VEPCO’s particular circumstances, as the Waiver Request contends. Rather, once granted, the requested waivers will be effectuated through certain non-standard language to be included in Schedule F of the Generation Interconnection Agreements (“GIAs”) for the VEPCO-VEPCO Projects that will be subject to negotiation during the Final Agreement Negotiation Phase for Transition Cycle No. 1.⁶ The proposed Schedule F language is modeled after similar language included in Interconnection Service Agreements (“ISAs”) under PJM’s prior, serial generator interconnection rules and in GIAs for projects in the Expedited Process under PJM’s Transition Cycle Rules, all of which the Commission has accepted. Tariff changes should be viewed as outside the scope of the waiver filing, and VEPCO should utilize the stakeholder process to pursue such changes.

⁴ Waiver Request at 2.

⁵ PJM clarifies the scope of the Waiver Request because the Part VII provisions for which VEPCO seeks waiver govern Transition Cycle No. 2 in addition to Transition Cycle No. 1 and have analogues in Part VIII of the Tariff, i.e., Tariff, Part VIII, Subpart C, section 410(A)(1), and Subpart D, section 411(A)(1) and (B)(4)(a)(iv).

⁶ See Attachment A for an example of the language that PJM would include in a draft GIA for a VEPCO-VEPCO Project.

I. MOTION TO INTERVENE

PJM moves to intervene as a party in this proceeding. PJM is the regional transmission organization for all or portions of Delaware, the District of Columbia, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, and West Virginia. PJM administers its Commission-filed Tariff, provides Transmission Service under the Tariff on the electric transmission facilities under PJM's operational control, operates an energy and other markets, and otherwise conducts the day-to-day operations of the bulk power system of a multi-state electric Control Area. As the administrator of the Tariff and its interconnection process and a party to the service agreements relevant to the Waiver Request, PJM has a direct and substantial interest in this proceeding, which cannot be adequately represented by any other party. Therefore, the Commission should grant PJM intervenor status in this proceeding.

II. COMMUNICATIONS

Correspondence and communications with respect to this filing should be sent to, and PJM requests the Secretary to include on the official service list, the following:⁷

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⁷ PJM requests waiver of Rule 203(b)(3) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.203(b)(3), to permit all of the persons listed to be placed on the official service list for this proceeding.

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III. COMMENTS IN SUPPORT OF THE WAIVER REQUEST

A. Background

The Commission has regularly accepted ISAs and GIAs that include non-standard term and conditions in Schedule F waiving VEPCO's obligation to post Security where VEPCO was both the Transmission Owner and the Project Developer,⁸ such as the VEPCO-VEPCO Projects.⁹ Because the Security the Interconnection Customer generally posts under the ISA (or the Project Developer now posts under a GIA) is held by PJM to securitize the Project Developer's cost responsibility for Network Upgrades¹⁰ for the protection of the Transmission Owner and its customers, the rationale for the posting of Security is significantly eroded, to the point of providing no benefit to customers, when the Project Developer is the same legal entity as the Transmission Owner. Under such

⁸ The defined terms have changed from the ISAs under PJM's prior, serial process, which used the terms Interconnected Transmission Owner and Interconnection Customer, to the GIAs under Parts VII and VIII, which use the terms Transmission Owner and Project Developer. For purposes of this pleading, PJM generally uses the terms currently in use, Transmission Owner and Project Developer.

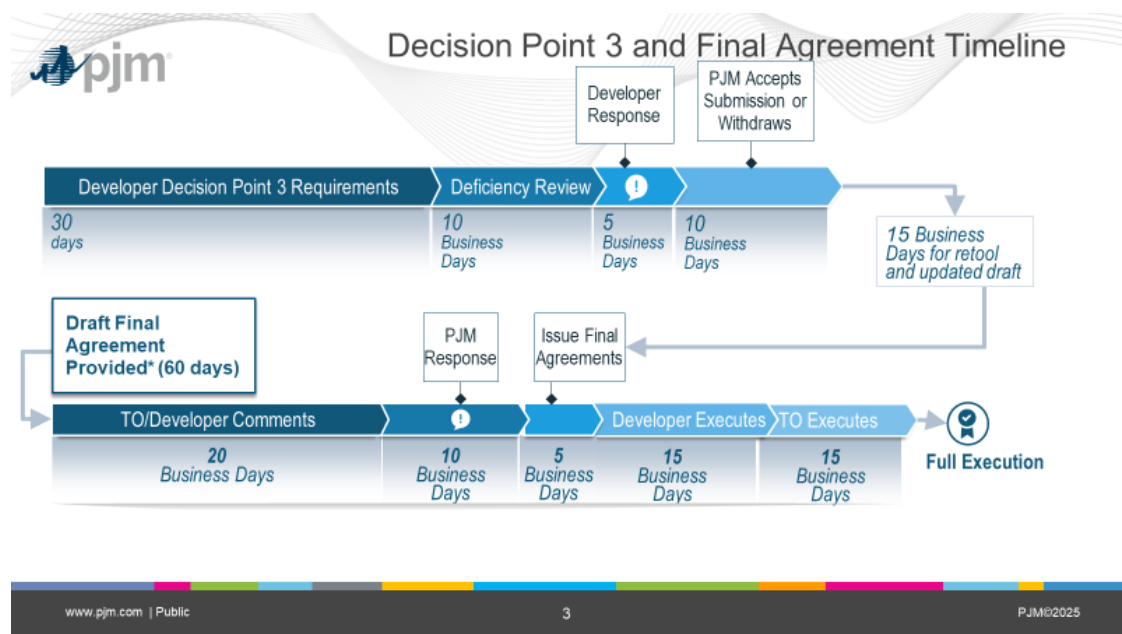
⁹ See, e.g., *PJM Interconnection, L.L.C.*, Letter Order, Docket No. ER25-2204-000 (July 11, 2025); *PJM Interconnection, L.L.C.*, Letter Order, Docket No. ER23-2972-000 (Nov. 22, 2023); *PJM Interconnection, L.L.C.*, Letter Order, Docket No. ER25-2153-000 (June 25, 2025); *PJM Interconnection, L.L.C.*, Letter Order, Docket No. ER24-2693-000 (Sept. 30, 2024); *PJM Interconnection, L.L.C.*, Letter Order, Docket No. ER24-1224-000 (Apr. 9, 2024); *PJM Interconnection, L.L.C.*, Letter Order, Docket No. ER22-182-000 (Dec. 16, 2021) (orders accepting Schedule F language for VEPCO-VEPCO Project agreements).

¹⁰ PJM's comments focus on the availability of Security to securitize the cost of Network Upgrades; however, Security may be applied to other costs, such as those related to Cancellation Costs, Transmission Owner Interconnection Facilities, and/or Customer-Funded Network Upgrades. See Tariff, Part IX, Subpart B, section 5.0.

circumstances, the posting of Security would effectively be a matter of internal accounting for no real benefit. In short, requiring the Project Developer to document and post the Security and having PJM administer the process would drive up costs for the ultimate consumers for no real benefit.

Under the prior PJM interconnection process, Security was to be posted at the time the Interconnection Customer executed the ISA or requested that PJM file it unexecuted,¹¹ thus aligning the posting of Security with the Interconnection Customer entering into a service agreement that includes a waiver for the posting of Security that would otherwise be required. However, the Transition Cycle Rules in Tariff, Part VII differ from the prior process with regard to the timing of Security posting and service agreement execution. The timing is shown in Figure 1 below and described in the steps immediately below Figure 1.

Figure 1: Decision Point 3 and Final Agreement Timeline¹²



¹¹ See Tariff, Part VI, Subpart B, section 212.4(b).

¹² Megha Tiwari, *Final Agreement Negotiation Phase and Decision Point III Requirements*, PJM Interconnection, L.L.C., 3 (July 24, 2025), <https://www.pjm.com/-/media/DotCom/committees->

1. As provided in Tariff, Part VII, Subpart D, section 313(A)(1)(a) with respect to projects in Transition Cycle No. 1, by the close of Decision Point III (a 30-day period that begins at the end of Phase III), a Project Developer must have provided to PJM all the required elements, including Security calculated in accordance with the Phase III System Impact Study Results, to remain in the Cycle and proceed through the Final Agreement Negotiation Phase.¹³
2. As provided in Tariff, Part VII, Subpart D, section 314(A), the Final Agreement Negotiation Phase also begins immediately following the end of Phase III and runs concurrently with Decision Point III. On the first day of the Final Agreement Negotiation Phase, PJM tenders a draft GIA to Project Developers, which includes the Security amount determined in the Phase III System Impact Study—the same Security amount that must be posted at the close of Decision Point III.¹⁴
3. The Final Agreement Negotiation Phase runs concurrently with Decision Point III, but extends another 30 days beyond the close of Decision Point III.¹⁵ After Decision Point III closes, PJM adjusts projects' Security obligations based on New Service Requests withdrawn during Decision Point III and/or during the Final Agreement Negotiation Phase; and conducts any remaining analyses or updated analyses based on New Service Requests withdrawn during Decision Point III.¹⁶ The Project Developers must post the adjusted Security within 15 Business Days of receiving the final GIA for execution.¹⁷

Under the Transition Cycle Rules, therefore, Project Developers must lock in their place in the Transition Cycle at the close of Decision Point III by posting Security before the final, adjusted Security amount is determined and documented in the final execution copy of their GIAs.

[groups/subcommittees/ips/2025/20250724/20250724-item-05---final-agreement-negotiation-phase-and-decision-points-iii-requirements.pdf](#).

¹³ The same requirement for projects in Cycle No. 1 and subsequent cycles under the New Rules is set forth in Tariff, Part VIII, Subpart C, section 410(A)(1)(a).

¹⁴ The same timing and tender of draft GIAs for projects in Cycle No. 1 and subsequent cycles under the New Rules is set forth in Tariff, Part VIII, Subpart D, section 411(A).

¹⁵ Tariff, Part VII, Subpart D, section 314(A); Tariff, Part VIII, Subpart D, section 411(A).

¹⁶ Tariff, Part VII, Subpart D, section 314(A); Tariff, Part VIII, Subpart D, section 411(A).

¹⁷ Tariff, Part VII, Subpart D, section 314(B)(4)(a)(iv).

In addition to the change in timing and sequencing just described, the Transition Cycle Rules include a new form of agreement, the NUCRA, for Common Use Upgrades, which are Network Upgrades for which cost responsibility is allocated to more than one Project Developer.¹⁸ The NUCRA states that the Security associated with the NUCRA shall be the Security provided under the relevant Project Developers' GIAs and provides that if a defaulting Project Developer cannot pay amounts it owes under the NUCRA after exhausting all available Security, the unpaid costs shall be reallocated to the remaining Project Developers in proportion to their cost responsibility percentages.¹⁹ Cost responsibility is thus shared among the Project Developers that are parties to a NUCRA. VEPCO has proposed, and PJM has supported, "hold harmless" language that would be included in Schedule F to the GIA that will provide that VEPCO will hold the other parties to the NUCRA parties financially harmless from the granting of this Waiver Request. While the final wording of the "hold harmless" provision has not been resolved yet, its inclusion as non-conforming language in the GIAs will require it to be filed with the Commission.

B. The Commission Should Grant the Waiver Request for All VEPCO-VEPCO Projects in Transition Cycle No. 1 under Tariff, Part VII

As VEPCO states in the Waiver Request, PJM supports the Waiver Request, which will continue the approach that has been accepted by the Commission in the past of waiving the requirement to post Security for VEPCO-VEPCO Projects because the rationale for not

¹⁸ Tariff, Part VII, Subpart G, section 336; Tariff, Part VIII, Subpart G, section 434; Tariff, Part IX, Subpart H.

¹⁹ Tariff, Part IX, Subpart H, section 7.0; Tariff, Part IX, Subpart H, Appendix 2, section 7.2.2.

requiring the posting of Security when the Project Developer and the Transmission Owner are the same legal entity still applies under the Transition Cycle Rules in the Tariff.

C. The PJM Tariff Does Not Require Revision, Contrary to the Waiver Request

While PJM supports the requested waivers, it does not believe the Tariff requires revision to accommodate the waivers. The timing and sequencing of Security posting as part of the requirements to remain in the Cycle and proceed through the Final Agreement Negotiation Phase, including the potential adjustment of the Security obligation based on withdrawals at and after the close of Decision Point III and during the Final Agreement Negotiation Phase, is part of the overall approach of PJM's interconnection reforms to encourage non-viable projects to exit the interconnection process. PJM can continue to accommodate the VEPCO-VEPCO Projects through the negotiation of non-standard terms and conditions memorialized in Schedule F of the GIAs for VEPCO-VEPCO Projects to address the issues raised in these comments regarding the NUCRA and the Project Developers' shared cost responsibility. This is consistent with the Commission's previously accepted approach for similarly situated VEPCO projects in the past.

D. The Commission Does Not Need to Decide on the Proposed Non-Standard Language for the GIA in this Proceeding for PJM to Implement the Requested Waivers

The Waiver Request includes as Attachment B three versions of non-standard terms and conditions for use in VEPCO-VEPCO Project service agreements to address, among other issues, PJM's concerns that the requested waivers could have unintended consequences: two versions proposed by VEPCO and one version recommended by PJM. PJM includes its non-standard terms and conditions as Attachment A to this pleading for clarity, as it found the Waiver Request's Attachment B potentially confusing because the

Waiver Request does not identify or reference the third version of non-standard language as being PJM's recommended language.

PJM submits that its non-standard language, set forth in Attachment A hereto, is superior to both of VEPCO's proposals, particularly because PJM's recommended language does not conflate Security and cost responsibility and specifically states that waiver of Security does not relieve VEPCO of any cost responsibility that may arise from the termination or cancellation of the GIA.²⁰ This is important not only in the context of multi-party NUCRAs, but also to provide clarity as to VEPCO's cost responsibility for Network Upgrades and other potential costs associated with its projects.²¹

As previously mentioned, PJM's suggested non-standard language explicitly protects other Project Developers that are parties to a NUCRA by providing that in the event of a default by VEPCO as Project Developer under the GIA or any NUCRA: (1) the non-defaulting Project Developers that are parties to any NUCRA shall not be liable for any portion of VEPCO as Project Developer's cost responsibility under the applicable NUCRA; (2) no amount of VEPCO as Project Developer's cost responsibility under the applicable NUCRA shall be reallocated to the non-defaulting Project Developers; and (3) VEPCO as Transmission Owner agrees to hold the non-defaulting Project Developers financially harmless from any cost responsibility that is allocated to VEPCO as Project Developer under the applicable NUCRA.

²⁰ For example, the Waiver Request discusses setting the Security amount to \$0 in a GIA. *See* Waiver Request at 9. To avoid any potential for confusion regarding cost responsibility, PJM intends to reflect the Security amount in all GIAs. If the Commission were to grant the Waiver Request, then VEPCO would not be required to *post* such Security. Moreover, in the event of a change in ownership of a VEPCO-VEPCO Project where VEPCO is no longer both the Project Developer and the Transmission Owner, waiver would no longer apply, and the posting of Security would be required.

²¹ *See infra* note 10, concerning the types of costs to which Security under section 5.0 of the GIA may be applied.

PJM's non-standard language to be used in Schedule F of VEPCO-VEPCO Project

GIAs also offers the following advantages:

1. PJM's proposed language is consistent with PJM's long-standing non-standard terms and conditions for waiving the Security requirement for VEPCO-VEPCO Project service agreements;
2. PJM proposes to include the non-standard language in the projects' GIAs,²² which is the service agreement that provides the specification of Security amounts and the associated terms and conditions and has a schedule dedicated to non-standard terms and conditions;
3. PJM's proposed language would *not* be added to the NUCRA because Transmission Owners are not parties to NUCRAs and therefore the language would not be binding on VEPCO as Transmission Owner; and
4. PJM's proposed language is concise and avoids restating provisions of other agreements and of the Tariff.

However, negotiations on the Schedule F language were not completed prior to VEPCO's filing of the Waiver Request. PJM further intends to add to the non-standard terms and conditions clear set off language authorizing PJM to set off any unpaid amounts under the GIA or NUCRA against VEPCO's other revenues. But the Commission does not need to reach these issues here and should simply grant the waiver consistent with Commission precedent, allowing VEPCO and PJM to continue discussion and PJM to submit appropriate non-standard terms and conditions in the context of the forthcoming proceedings concerning the filing of non-conforming service agreements for the VEPCO-VEPCO Projects in Transition Cycle No. 1.

²² The Waiver Request's Attachment B labels the VEPCO proposals as being for "Proposed GIA Schedule F" and "Proposed CSA Schedule F," but the text of the proposed language references "this Network Upgrade Construction Responsibility Agreement" in both instances.

IV. CONCLUSION

For the reasons stated above, the Commission should grant PJM's motion to intervene, grant the Waiver Request for VEPCO-VEPCO Projects in Transition Cycle No.1 under Tariff, Part VII consistent with these comments, and direct the inclusion in Schedule F of the GIAs for such projects of non-standard terms and conditions similar to those recommended by PJM to effectuate the requested waivers and protect other parties to any NUCRAs associated with VEPCO-VEPCO Projects.

Respectfully submitted,

/s/ Wendy B. Warren

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Dated: August 19, 2025

ATTACHMENT A
PJM'S NON-STANDARD LANGUAGE

SCHEDULE F

NON-STANDARD TERMS & CONDITIONS

{Instructions: For use when VEPCO is both Project Developer and Transmission Owner}

Security

Virginia Electric and Power Company (Dominion Energy Virginia) (as Project Developer) and Virginia Electric and Power Company (Dominion Energy Virginia) (as Transmission Owner) agree to waive the requirement for Security identified in this GIA, section 5.0 and GIA, Specifications, section 4.7.

PJM, Project Developer, and Transmission Owner agree that the following are conditions for this waiver, and that such conditions are met:

1. Project Developer and Transmission Owner under this GIA are the same legal entity; and
2. The required Network Upgrade(s) and Interconnection Facilities for which Security is being waived are entirely on the Virginia Electric and Power Company (Dominion Energy Virginia) transmission system.
3. Waiver of Security does not relieve Virginia Electric and Power Company (Dominion Energy Virginia) from any cost responsibility arising from the termination or cancellation of this GIA.

To the extent this GIA includes Common Use Upgrades for which a Network Upgrade Cost Responsibility Agreement (NUCRA) is required, PJM, Project Developer, and Transmission Owner agree that the additional conditions apply to the waiver:

1. If Virginia Electric and Power Company (Dominion Energy Virginia) as Project Developer, defaults under this GIA, the non-defaulting Project Developers that are parties to any NUCRA shall not be liable for any portion of Virginia Electric and Power Company (Dominion Energy Virginia)'s, as Project Developer, cost responsibility in accordance with the applicable NUCRA;
2. Further, upon a default under any applicable NUCRA by Virginia Electric and Power Company (Dominion Energy Virginia) as Project Developer, any amount of Virginia Electric and Power Company (Dominion Energy Virginia)'s unpaid portion of cost responsibility for the Common Use Upgrades shall not be reallocated to the non-defaulting Project Developers; and,
3. Virginia Electric and Power Company (Dominion Energy Virginia) as Transmission Owner, agrees to hold the non-defaulting Project Developers harmless from any cost responsibility that is allocated to Virginia Electric and Power Company (Dominion Energy Virginia), as Project Developer, in accordance with any applicable NUCRA.

Assignment to parties other than Virginia Electric and Power Company (Dominion Energy Virginia):

Project Developer must provide PJM with at least sixty (60) days advance written notice prior to assigning this GIA and any related PJM service agreements, including NUCRAs, to an entity that is not the same legal entity as Virginia Electric and Power Company (Dominion Energy Virginia) (“Assignee”). Consistent with this GIA, Appendix III, section 12.2.1, any assignment herein shall not relieve or discharge Virginia Electric and Power Company (Dominion Energy Virginia), as Project Developer, from any of its obligations hereunder absent written consent of PJM. Thus, the following conditions must be satisfied:

1. The waiver of Security of this Schedule F will be void upon PJM receiving the notice of assignment, thus requiring the Security referenced in this GIA, section 5.0 and this GIA, Specifications, section 4.7 (and any adjustments thereof) for this GIA to be provided in accordance with the GIP and this Schedule F.
2. Thirty (30) days prior to such assignment taking effect, PJM must receive the required Security. If PJM does not timely receive the required Security in the amount and form required, such failure will be deemed a Breach of this GIA.
3. This GIA, any associated NUCRAs, and any other related service agreements will be amended to reflect the assignment and furnishing of Security and will be filed with FERC or reported in PJM’s Electric Quarterly Reports, as necessary.
4. Subject to any necessary regulatory acceptance, the effective date of the amended GIA, any associated amended NUCRAs, and any other related service agreements will be the same as the effective date of the assignment.

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 19th day of August, 2025.

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