UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

PJM Interconnection, L.L.C.	**)**	**Docket No. RM18-9-000**
	)	

MOTION FOR LEAVE TO ANSWER AND LIMITED ANSWER OF PJM INTERCONNECTION, L.L.C.

Pursuant to Rules 212 and 213 of the Federal Energy Regulatory Commission's ("FERC" or the "Commission") Rules of Practice and Procedure,[1] PJM Interconnection, L.L.C. ("PJM") respectfully submits this Motion for Leave to Answer and Limited Answer (the "Answer") to two reply comments[2] filed on November 6 and 12, 2019, in response to PJM's October 7, 2019 Filing[3] in the above-captioned proceeding.

I. MOTION FOR LEAVE TO ANSWER

PJM respectfully moves for leave to submit this answer into the record. While the September 5, 2019 Letter Order[4] initiating this round of briefing did not explicitly contemplate responses to reply comments, and an answer to an answer is not facially permitted under the Commission's regulations,[5] the Commission allows such answers when the answer provides useful

[1] 18 C.F.R. §§ 385.212, 385.213 (2019).

[2] *Participation of Distributed Energy Resource Aggregations in Markets Operated by Regional Transmission Organizations and Independent System Operators,* Comments of University of Delaware's Electric Vehicle R&D Group and A.F. Mensah, Inc., Docket No. RM18-9-000 (Nov. 6, 2019) (the "UD/A.F. Mensah Comments"); *Participation of Distributed Energy Resource Aggregations in Markets Operated by Regional Transmission Organizations and Independent System Operators,* Comments of Public Interest Organizations, Docket No. RM18-9-000 (Nov. 12, 2019) (the "PIO Comments").

[3] *Participation of Distributed Energy Resource Aggregations in Markets Operated by Regional Transmission Organizations and Independent System Operators,* Response to September 5, 2019 Data Request of PJM Interconnection, L.L.C., Docket No. RM18-9-000 (Oct. 7, 2019) (the "October 7, 2019 Filing").

[4] *Participation of Distributed Energy Resource Aggregations in Markets Operated by Regional Transmission Organizations and Independent System Operators*, Letter Order Requesting Additional Information, Docket No. RM18-9-000 (Sept. 5, 2019) (the "September 5, 2019 Letter Order").

[5] 18 C.F.R. § 385.213(a)(2).

and relevant information that will assist the Commission in its decision-making process,[6] corrects factual inaccuracies and clarifies the issues,[7] assures a complete record in the proceeding,[8] provides information helpful to the disposition of an issue,[9] or permits the issues to be narrowed.[10]

This Answer satisfies these criteria, and accordingly PJM requests that the Commission grant leave and accept this Answer into the record in this proceeding.

II. ANSWER

A. *Response to Reply Comments of UD/A.F. Mensah.*

University of Delaware's Electric Vehicle R&D Group and A.F. Mensah, Inc. ("UD/AF Mensah") reference a particular instance in which UD was "told by PJM that each V2G [electric vehicle charging station] system location in their project (all located within one municipal utility district) would have to sign a Wholesale Market Participation Agreement ("WMPA")."[11] UD/AF Mensah contrast this with "at least one instance" in which "PSE&G's solar panels on 154,000 utility poles across PSE&G territory were interconnected by PJM under a single WMPA (queue

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[6] *See, e.g., Pioneer Transmission, LLC v. N. Ind. Pub. Serv. Co. and Midwest Indep. Transmission Sys. Operator, Inc.*, 140 FERC ¶ 61,057 at P 93 (2012); *Midwest Indep. Transmission Sys. Operator, Inc.*, 131 FERC ¶ 61,285 (2010); *Sw. Power Pool, Inc.*, 131 FERC ¶ 61,252 at P 19 (2010), *reh'g denied*, 137 FERC ¶ 61,075 (2011) (accepting answers that "provided information that assisted us in our decision-making process"); *Duke Energy Ky., Inc.*, 122 FERC ¶ 61,182 at P 25 (2008) (accepting answers in proceeding that "provided information that assisted us in our decision-making process"); *Tallgrass Transmission, LLC*, 125 FERC ¶ 61,248 at P 26 (2008); *PJM Interconnection, L.L.C.*, 120 FERC ¶ 61,083 at P 23 (2007) (answer to protests permitted when it provides information to assist the Commission in its decision-making process).

[7] *See, e.g., Entergy Servs. Inc.*, 126 FERC ¶ 61,227 (2009).

[8] *See, e.g., Pac. Interstate Transmission Co.*, 85 FERC ¶ 61,378 at P 62,443 (1998), *reh'g denied*, 89 FERC ¶ 61,246 (1999); *Morgan Stanley Capital Group, Inc. v. N.Y. Indep. Sys. Operator, Inc.*, 93 FERC ¶ 61,017, 61,036 (2000) (accepting an answer that was "helpful in the development of the record . . . ").

[9] *See, e.g., CNG Transmission Corp*., 89 FERC ¶ 61,100, 61,287, n.11 (1999).

[10] *See, e.g., PJM Interconnection, L.L.C.*, 84 FERC ¶ 61,224, 62,078 (1998); *New Energy Ventures, Inc. v. S. Cal. Edison Co.*, 82 FERC ¶ 61,335, 62,323, n.1 (1998).

[11] UD/AF Mensah Comments at 3.

position V1-030)."[12] Using this example, UD/AF Mensah conclude that, with respect to non-FERC-jurisdictional interconnections, "actual practice in PJM has varied considerably over time, resulting in uncertainty for the interconnection customer."[13]

The singular instance involving PSE&G's distribution poles cited by UD/A.F. Mensah is neither evidence of variation in PJM's "actual practice," nor evidence of variation in PJM's implementation of the Commission-approved interconnection processes under its Tariff.[14] When the PSE&G request referenced by UD/A.F. Mensah was submitted to PJM ten years ago in November 2009, it was the first of its kind, and accordingly PJM processed it as a pilot project. As it does with all interconnection applicants, PJM worked diligently to understand and address the specific interests and concerns expressed by PSE&G, and for purposes of that particular initial pilot project ultimately utilized a single WMPA. PJM has never again used a single WMPA for this kind of project. This is in part due to complexities that became apparent both while trying to accommodate the request, and in the years after the PSE&G project was processed through the PJM interconnection queue, such as modeling revisions to account for the volume and extent of reconfigurations that PSE&G made to its distribution system.

UD/AF Mensah also state that while "[t]he interconnection customer using the Attachment N process must wait up to six months for the queue study process to begin" and "[t]he Feasibility Study and System Impact Study are expected to each take three months," in UD's case

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[12] *Id*.

[13] *Id.*

[14] Terms not otherwise defined herein shall have the same meaning as set forth in the PJM Open Access Transmission Tariff ("Tariff"), the Amended and Restated Operating Agreement of PJM Interconnection, L.L.C. ("Operating Agreement"), and the Reliability Assurance Agreement Among Load-Serving Entities in the PJM Region ("RAA"). The Tariff, Operating Agreement, and RAA are currently located under PJM's "Intra-PJM Tariffs" eTariff title, available here: https://etariff.ferc.gov/TariffBrowser.aspx?tid=1731.

(queue position AD2-059), "they were notified of the completion of the System Impact Study 11 months after the closure of the queue."[15]

Again, there is important context absent from UD/A.F. Mensah's description of this specific case. PJM had begun performing winter reliability studies during the "AD1" queue, and throughout the course of the "AD2" queue assessed the aggregate impacts of those studies in terms of the value to reliability, efficiency, and resource allocation. PJM ultimately determined that the reliability benefit produced by the winter reliability studies was insufficient to offset the additional time and resources necessary to conduct the studies, and has since eliminated the winter reliability studies altogether (effective with the "AE1" queue). Accordingly, the specific example cited by UD/A.F. Mensah is not representative of the time currently required to perform the System Impact Study.

In addition, as UD/A.F. Mensah note on page 3 of their reply comments, PJM has proposed reforms designed to provide a "fast-track" avenue for processing energy-only resources under 2 MW.[16] These reforms are currently moving through the PJM stakeholder process.

Lastly, UD/A.F. Mensah encourage the Commission to "define a process for EVs whereby the V2G system [] is the interconnected resource, not the vehicle or vehicle battery."[17] UD/A.F. Mensah claim that "PJM discriminates against V2G systems intended to be used as wholesale storage resources by prohibiting their interconnection in the only way that rationally recognizes their physical and operational characteristics."[18] Specifically, UD/A.F. Mensah state that "PJM

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[15] UD/A.F. Mensah Comments at 4.

[16] *Id*. at 3. *See also* October 17, 2019 presentation at the PJM Distributed Energy Resource Subcommittee, available here:https://www.pjm.com/-/media/committees-groups/committees/pc/20191017/20191017-item-13-m14g-ders-update.ashx

[17] UD/A.F. Mensah Comments at 6.

[18] *Id*.

currently considers the resource to be the battery, thus requiring the owner of the car to be the interconnection applicant," and concludes that "[t]his is not consistent with how other technologies are treated."[19]

In last year's Order No. 845,[20] the Commission modified the *pro forma* Large Generator Interconnection Procedures ("LGIP") and Large Generator Interconnection Agreement ("LGIA") to specifically include electric storage resources in the definition of "Generating Facility." The Commission found that this definitional change would reduce a potential barrier to large electric storage resources, and was consistent with provisions already implemented in the *pro forma* Small Generator Interconnection Procedures ("SGIP") and Small Generator Interconnection Agreement ("SGIA") via Order No. 792.[21] The Commission affirmed this finding in Order No. 845-A.[22]

In addition, PJM's Commission-approved Tariff definitions for "Small Generation Resource" and "Energy Storage Resource" both require that the resource itself be capable of storing electric energy for later injection.[23]

UD/A.F. Mensah's position that the V2G system should be the interconnection resource, and not the associated batteries that dock into the V2G system, appears to be in conflict with these

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[19] *Id*.

[20] *Reform of Generator Interconnection Procedures and Agreements*, Order No. 845, 163 FERC ¶ 61,043 (2018), *order on reh'g*, Order No. 845-A, 166 FERC ¶ 61,137 (2019), *errata notice*, 167 FERC ¶ 61,123.

[21] Order No. 845 at P 275. *See also Small Generator Interconnection Agreements and Procedures*, 145 FERC ¶ 61,159 at P 228 (2013) ("Order No. 792") ("Accordingly, the Commission revises the definition of Small Generating Facility in Attachment 1 to the SGIP and Attachment 1 to the SGIA as follows: The Interconnection Customer's device for the production and/or storage for later injection of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Interconnection Facilities.").

[22] Order No. 845-A at PP 95-96.

[23] PJM Tariff, Definitions – R-S (defining "Small Generation Resource" as "an Interconnection Customer's device of 20 MW or less for the production and/or storage for later injection of electricity identified in an Interconnection Request, but shall not include the Interconnection Customer's Interconnection Facilities. This term shall include Energy Storage Resources and/or other devices for storage for later injection of energy."); PJM Tariff, Definitions – E-F (defining "Energy Storage Resource" as "a resource capable of receiving electric energy from the grid and storing it for later injection to the grid that participates in the PJM Energy, Capacity and/or Ancillary Services markets as a Market Participant.").

prior Commission orders and provisions of PJM's Commission-approved Tariff. Accordingly, PJM believes that further guidance from the Commission on this point may be warranted.

B. Response to Reply Comments of PIO.

Public Interest Organizations ("PIO") objects to Regional Transmission Organizations and Independent System Operators ("RTOs/ISOs") requiring additional studies before permitting a DER to access the wholesale market.[24] With respect to PJM, PIO states that "PJM requires resources that are already interconnected under a state jurisdictional process to submit an interconnection request as if it was an entirely new resource to participate in the wholesale market," and that "[t]his requirement applies even to small generators that are already in service, except in the case of Qualifying Facilities."[25] PIO concludes that "[t]his results in duplicative distribution interconnection studies."[26]

PJM disagrees with this characterization, because the studies referenced serve two distinct purposes. Specifically, the studies performed at the state level are relevant to the physical interconnection of the generator to the non-FERC jurisdictional distribution system. The studies performed by PJM under the PJM Tariff are relevant to the sale of the generation unit's output to determine whether there are potential impacts to the Transmission System for purposes of making wholesale sales into the PJM market—particularly if the resource is requesting to become a Capacity Resource.

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[24] PIO Comments at 9.

[25] *Id*.

[26] *Id.*

III. CONCLUSION

For the foregoing reasons, PJM respectfully requests that the Commission grant leave, and accept this Answer into the record in this proceeding.

Respectfully submitted,

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