

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

PJM Interconnection, L.L.C.

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Docket No. ER21-2043-000

**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 “Limited Answer”) to LS Power Development, LLC’s (“LS Power”) Motion to Lodge,² submitted on July 16, 2021 in the above-captioned proceeding.

I. MOTION FOR LEAVE TO ANSWER

LS Power styles its pleading as simultaneously both a motion to lodge and an answer. PJM’s Limited Answer responds to the motion to lodge component of LS Power’s submission, and accordingly is permissible under Rule 213(a)(3).³ To the extent that the Commission views any part of PJM’s Limited Answer as responding to the answer component of LS Power’s submission, PJM respectfully requests that the Commission grant leave and accept this Limited Answer. While an answer to an answer or protest is not a matter of right under the Commission’s regulations,⁴ the Commission routinely permits such answers when the answer provides useful and

¹ 18 C.F.R. §§ 385.212, 385.213, (2021).

² *PJM Interconnection, L.L.C.*, Motion to Lodge of LS Power, Docket No. ER21-2043-000 (Jul. 16, 2021) (the “Motion to Lodge”).

³ 18 C.F.R. § 385.213(a)(3) (“An answer may be made to any pleading, if not prohibited under paragraph (a)(2) of this section.”).

⁴ 18 C.F.R. § 385.213(a)(2).

relevant information that will assist the Commission in its decision-making process,⁵ corrects factual inaccuracies and clarifies the issues,⁶ assures a complete record in the proceeding,⁷ provides information helpful to the disposition of an issue,⁸ or permits the issues to be narrowed.⁹

This Limited Answer satisfies each of these criteria, and accordingly PJM respectfully requests that the Commission grant leave and accept this Limited Answer, to the extent necessary.

II. LIMITED ANSWER

The July 12, 2021 email correspondence from a member of PJM staff contained in the Motion to Lodge illustrates aggregate data from the PJM wind fleet across several years. This data helps to illustrate the point that PJM has consistently made in the stakeholder process, which is that wind output during summer afternoons is often significantly above the average, and often significantly below the average.¹⁰ In its Motion to Lodge, LS Power uses this fact to reiterate its

⁵ 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).

⁶ See, e.g., *Entergy Servs. Inc.*, 126 FERC ¶ 61,227 (2009).

⁷ 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 . . .”).

⁸ See, e.g., *CNG Transmission Corp.*, 89 FERC ¶ 61,100, 61,287, n.11 (1999).

⁹ 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).

¹⁰ See, e.g., Problem/Opportunity Statement for Capacity Interconnection Rights for Variable Resources at 2 (“Because of this relationship, CIRs are not considered in resource adequacy studies. However, ICAP for certain resource types such as wind and solar is based on average resource outputs over the summer period, and the associated assignment of CIRs and design of the transmission system only support these average output levels. A fundamental concern is that the ICAP for these resources is comprised of output levels above the average and below the average.”). Available here: <https://www.pjm.com/-/media/committees-groups/committees/pc/2021/20210420-special/20210420-item-02a-cirs-for-elcc-resources-problem-statement.ashx>

conclusion that, under PJM’s Effective Load Carrying Capability (“ELCC”) proposal, the output of certain ELCC Resources in excess of their Capacity Interconnection Rights (“CIR”) value is both insufficiently deliverable, and counts towards such resources’ accreditation (and the ELCC rating of the corresponding class). PJM shares this concern, and has therefore initiated a stakeholder process at the Planning Committee to enhance the rules to address precisely this issue.¹¹ It is worth noting that such insufficient deliverability is not a result of the ELCC proposal, but rather is also a feature of the status quo accreditation method used for wind and solar.

While PJM seeks to enhance the ELCC analysis by incorporating CIRs, PJM does not share LS Power’s view that the ELCC proposal would seriously jeopardize reliability without such enhancement. Instead, ELCC improves the status quo vis-a-vis the accuracy of resource accreditation and reliability, and a later incorporation of CIRs into the ELCC analysis would further improve reliability and accuracy. Nothing in LS Power’s Motion to Lodge demonstrates a deficiency in PJM’s ELCC proposal, nor does it demonstrate that ELCC accreditation results would change significantly with the incorporation of CIRs, or that the absence of the incorporation of CIRs would significantly deteriorate reliability in PJM today or in the near future, given the current and near-term expected resource mix.

PJM continues to work with stakeholders to make timely progress on incorporation of CIRs into the ELCC analysis, largely for the reasons pointed out by LS Power. PJM appreciates LS Power’s support for the June 1 ELCC proposal, and urges the Commission to approve the ELCC proposal. PJM reiterates the need for approval of the June 1 ELCC proposal by July 30, 2021 in

¹¹ This work is currently taking place in special sessions of the Planning Committee. Related materials may be found here: <https://www.pjm.com/committees-and-groups/committees/pc.aspx>

order to realize the benefits of ELCC to reliability and accurate accreditation for the December 1, 2021 Base Residual Auction for the 2023/24 Delivery Year.

III. CONCLUSION

Accordingly, PJM respectfully requests that the Commission accept this Limited Answer, and approve PJM's ELCC proposal as filed in this proceeding.

Respectfully submitted,

/s/ Thomas DeVita

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On behalf of
PJM Interconnection, L.L.C.

CERTIFICATE OF SERVICE

I hereby certify that I have this 22nd day of July, 2021 caused a copy of the foregoing document to be served upon each person designated on the official service list compiled by the Secretary in this proceeding.

/s/ Tearay M. Holmes
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