

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

Elevate Renewables F7, LLC,	)	
Parkway Generation Operating LLC,	)	
Complainants,	)	
	)	Docket No. EL24-8-000
v.	)	
	)	
PJM Interconnection, L.L.C.,	)	
Respondent.	)	

**ANSWER OF PJM INTERCONNECTION, L.L.C.**

PJM Interconnection, L.L.C. (“PJM”) pursuant to Rule 213 of the Federal Energy Regulatory Commission’s (“Commission”) Rules of Practice and Procedure,<sup>1</sup> and the Commission’s November 1, 2023 notice,<sup>2</sup> submits this answer to the Complaint filed by Elevate Renewables F7, LLC (“Elevate”) and Parkway Generation Operating LLC (“Parkway” and collectively with Elevate, the “Complainants”) on October 31, 2023.<sup>3</sup> The Commission should deny the Complaint as groundless because the Complainants fail to show any violation of the PJM Open Access Transmission Tariff (“Tariff”).<sup>4</sup> The Complaint lacks adequate support, fails to sustain the necessary burden of proof required under section 206 of the Federal Power Act (“FPA”),<sup>5</sup> and itself seeks unduly discriminatory treatment in the form of favorable treatment for the Complainants at the

---

<sup>1</sup> 18 C.F.R. § 385.213.

<sup>2</sup> See Combined Notice of Filings #1, Docket Nos. EL24-8-000, et al. (Nov. 1, 2023).

<sup>3</sup> *Elevate Renewables F7, LLC v. PJM Interconnection, L.L.C.*, Complaint of Elevate Renewables F7, LLC and Parkway Generation Operating LLC, Docket No. EL24-8-000 (Oct. 31, 2023) (“Complaint”).

<sup>4</sup> The Tariff, the Amended and Restated Operating Agreement of PJM Interconnection, L.L.C., and the Reliability Assurance Agreement Among Load Serving Entities in the PJM Region are, collectively, the “Governing Documents.” Capitalized terms not defined herein have the meaning set forth in the Governing Documents.

<sup>5</sup> 16 U.S.C. 824e.

expense of other PJM Interconnection Customers. The Commission should therefore reject the Complaint.

## **I. EXECUTIVE SUMMARY**

The Complainants' primary argument is that PJM refuses to allow the addition of an Energy Storage Resource to an existing natural gas facility through the Necessary Study process. That argument fails to acknowledge PJM's currently and previously effective Tariff rules, both of which require a party to submit a new Interconnection Request for the addition of a new generating unit to an existing facility. Moreover, PJM's Manuals, which the Complainants try to invoke, specifically require a party proposing to add a new generating unit of a different fuel type than that of an existing unit, as is the case here, to submit a new Interconnection Request.

The Complainants also argue that PJM discriminates against Energy Storage Resources because PJM refuses to study their request under the Necessary Study process, even though PJM applies these same Tariff rules to all resource types. The underlying issue for Complainants is that, because they cannot add an Energy Storage Unit via the Necessary Study process, they need to propose the addition through a new Interconnection Request, which will take more time and resources to complete. PJM provided guidance based on its Tariff rules in responding to the Complainants' inquiry about the proposed addition, but Complainants did not like the answer they received. Given that PJM complied with its Tariff, the Complaint should be dismissed.

## **II. BACKGROUND**

On October 21, 2015, PJM, PSEG Fossil LLC, and Public Service Electric and Gas Company executed an Interconnection Service Agreement ("ISA"), Original Service Agreement No. 4291, to facilitate the interconnection of the Burlington Generating Station

(“Burlington Project”), a Generating Facility located in Burlington, New Jersey, with a Maximum Facility Output (“MFO”) of 207 megawatts (“MW”) and the total Capacity Interconnection Rights (“CIRs”) of 376 MW.<sup>6</sup>

In June 2023, the Complainants communicated to PJM their proposal to add an Energy Storage Resource to the Burlington Project.<sup>7</sup> As noted in the Connell Affidavit, PJM and Parkway had a number of conversations and exchanged correspondence from June to October of this year regarding Parkway’s desire to add an Energy Storage Resource to an existing natural gas fired power plant.<sup>8</sup> PJM stated such a modification would require a new Interconnection Request, as reflected in the email exchanges attached to the Complaint. The Complainants believed the change could occur through the Necessary Study process,<sup>9</sup> but PJM explicitly corrected that misconception on September 7, 2023, explaining, “[a]dding energy storage to an existing generating facility requires a new

---

<sup>6</sup> *PJM Interconnection, L.L.C.*, Submission of Interconnection Agreements and Notices of Cancellation, Docket No. ER16-367-000, at 5 (Nov. 20, 2015); *id.* Attachment A (Service Agreement No. 4291 (“Burlington ISA”)) at Specifications section 1.0(d) (“Description of the equipment configuration: Unit 12 consists of four (4) combustion turbine generators. They run on gas or oil and are connected to a local 138 kV system through four (4) individual step-up transformers. The four (4) individual step-up transformers are connected to the 230 kV system through a 138 kV to 230 kV auto-transformer.”); *see also PJM Interconnection, L.L.C.*, Letter Order, Executed Service Agreement Nos. 4290 and 4291 and Notices of Cancellation, Docket No. ER16-347-000 (Jan. 11, 2016).

<sup>7</sup> Complaint, Attachment 1, Ex. B at 3 (“Our goal is to submit a Generator Modification request at the existing Burlington facility in order to incorporate the addition of a battery storage system (not to exceed the nameplate capacity listed in the current Burlington Interconnection Agreement).”). The Complainants appear to reference multiple ISAs throughout the Complaint, but it is unclear to PJM what ISA(s) are being referenced other than the Burlington ISA. *See* Complaint at 13, 18.

<sup>8</sup> *See* Affidavit of Jason P. Connell on Behalf of PJM Interconnection, L.L.C. (Attachment B) ¶ 5 (“Connell Aff.”).

<sup>9</sup> Complaint, Attachment A, Ex. B at 3 (“I understand that such request should be submitted with a Necessary Studies Agreement and that PJM then conducts necessary studies to determine if it can accommodate the modification. Can you confirm that PJM will study the proposed modification if we resubmit our request via Queue Point?”).

Service Request be entered into Queue Point. It does not follow the Necessary Study process.”<sup>10</sup>

On September 29, 2023, PJM received a letter from counsel for the Complainants requesting that PJM follow the Necessary Study process for the proposed addition of the Energy Storage Resource to the Burlington Project and arguing that refusal to do so violates the ISA and is unduly discriminatory.<sup>11</sup> On October 9, 2023, in response to Complainants’ email, which included the Complainants’ September 29, 2023 letter as an attachment, PJM reiterated that “PJM disagrees with your analysis and reaffirms that the project will require a new interconnection service request.”<sup>12</sup>

### **III. ARGUMENT**

#### ***A. The Complaint Should Be Dismissed Because PJM Complied with Its Tariff Requirements.***

Contrary to the primary argument of the Complaint, the ISA, Tariff, and PJM’s Manuals do not support the claim that PJM has an obligation to study a request to add an Energy Storage Resource to an existing Generating Facility via the Necessary Study process. Rather, the Complainants fundamentally misinterpret and misrepresent PJM’s requirements for submitting a new Interconnection Request, which PJM applies pursuant to its Tariff to all resources in a just, reasonable, and not unduly discriminatory manner, i.e., applying it in the same manner to all resources. PJM does not treat Energy Storage Resources in an unjust, unreasonable, or unduly discriminatory manner and did not violate the Tariff or ISA in its handling of the Complainants’ request. For these reasons, the

---

<sup>10</sup> Complaint, Attachment A, Ex. B at 1.

<sup>11</sup> Complaint, Attachment A, Ex. C at 1-2.

<sup>12</sup> Attachment A (Email from C. Holt, representing PJM, to S. Hug, representing Complainants on Oct. 9, 2023).

Complainants fail to overcome their burden of proof to show that PJM's practices are unjust or unreasonable<sup>13</sup> and, therefore, the Commission should dismiss the Complaint.

*1. Adding a Generating Unit requires a New Service Request under PJM's Tariff and the Burlington ISA.*

PJM's currently effective Tariff, which applies to requests for modifications to a Generating Facility submitted after July 10, 2023,<sup>14</sup> requires that when a Project Developer proposes to "interconnect a Generating Facility to the Transmission System in the PJM Region," the Project Developer must "request interconnection with the Transmission System pursuant to, and shall comply with, the terms, conditions, and procedures set forth in Tariff, Part VIII and related portions of the PJM Manuals[.]"<sup>15</sup> i.e., submit an Interconnection Request. Under PJM's Tariff, a "Generating Facility" is a "Project Developer's device for the production and/or storage for later injection of electricity identified in the New Service Request"<sup>16</sup> and explicitly "consists of one or more generating unit(s) and/or storage device(s) which usually can operate independently and be brought

---

<sup>13</sup> Under FPA section 206, 16 U.S.C. § 824e, the Complainants bear "the burden of proof to show that any charge or practice is unjust or unreasonable." *Black Oak Energy, LLC v. N.Y. Indep. Sys. Operator, Inc.*, 122 FERC ¶ 61,261, at P 31 (2008). To meet this burden, the Complainants must "establish the facts needed to support the claims in its section 206 complaint." *330 Fund I, L.P. v. N.Y. Indep. Sys. Operator, Inc.*, 126 FERC ¶ 61,151, at P 12 (2009). As discussed in this answer, the Complainants do not establish facts sufficient to support their claim.

<sup>14</sup> See *PJM Interconnection, L.L.C.*, 181 FERC ¶ 61,162, at P 37 (2022) ("Interconnection Reform Order") ("The Transition Date is the later of: (1) the effective date for the Transition Period Rules (January 3, 2023), or (2) the date by which all AD2 and prior queue window ISAs or WMPAs have been executed or filed unexecuted." (footnote omitted)), *reh'g denied*, 182 FERC ¶ 62,055 (2023); Interconnection Reform Order at P 60 (accepting that Transition Date).

<sup>15</sup> Tariff, Part VIII, Subpart A, section 401(C).

<sup>16</sup> Tariff, Part VIII, Subpart A, section 400, Definitions G (Definition of Generating Facility). Under the currently effective Tariff, a New Service Request means "an Interconnection Request or a Completed Application." Tariff, Part VIII, Subpart A, section 400, Definitions N (Definition of New Service Request). The definition of Interconnection Request under both the current Tariff and the Burlington ISA states an Interconnection Request can be Generation Interconnection Request, a Transmission Interconnection Request or an IDR Transfer Agreement. See Tariff, Part VIII, Subpart A, section 400, Definitions I (Definition of Interconnection Request); see also Burlington ISA, Appendix 1 (Definitions), section 1.14H.

online or taken offline individually.”<sup>17</sup> Therefore, requesting the addition of a new generating unit, even if it is in addition to an existing Generating Facility, requires the Interconnection Customer to submit a new Interconnection Request.<sup>18</sup> As noted in the Connell Affidavit, this treatment is consistent with the definitions under the Tariff, as well as under the Burlington ISA, both of which indicate that the addition of a generating unit requires a new Interconnection Request.<sup>19</sup>

As an initial matter, PJM has historically treated Energy Storage Resources as generating units for purposes of PJM’s interconnection requirements. Moreover, despite Complainants’ assertions to the contrary,<sup>20</sup> PJM’s Tariff allowed for the deployment and participation of such resources prior to its recent interconnection reform<sup>21</sup> and continues to do so. In compliance with Order No. 841, PJM added a new resource definition to its Tariff for an “Energy Storage Resource.”<sup>22</sup> Regarding the interconnection of Energy Storage

---

<sup>17</sup> Tariff, Part VIII, Subpart A, section 400, Definitions G (Definition of Generating Facility).

<sup>18</sup> The addition of an Energy Storage Resource also increases the maximum load capacity (which is different than the Maximum Facility Output or Capacity Interconnection Rights), an increase which also requires a New Service Request. *See* Tariff, Part VIII, Subpart A, section 401(C) (requiring that the Project Developer request interconnection for an “increase [in] the capability of a Generating Facility in the PJM Region”); *see also* Tariff, Part IX, Subpart B (*pro forma* Generator Interconnection Agreement), Specifications section 1.0(c) (requiring inclusion of the maximum load capacity of Energy Storage Resources).

<sup>19</sup> *See* Connell Aff. ¶ 7 (citing to Burlington ISA, Appendix 1 (defining Generation Interconnection Request as “a request by a Generation Interconnection Customer . . . to interconnect a generating unit with the Transmission System *or* to increase the capacity of a generating unit interconnected with the Transmission System in the PJM Region”) (emphasis added)).

<sup>20</sup> Complaint at 27-28.

<sup>21</sup> Prior to the transition to the new Tariff provisions under the recent interconnection process reform, PJM’s Tariff in the Part IV preamble required that an Interconnection Customer proposing to “interconnect a generating unit to the Transmission System in the PJM Region” must “request interconnection with the Transmission System pursuant to, and shall comply with, the terms, conditions, and procedures set forth in Tariff, Part IV.” Tariff, Part IV, Preamble (effective prior to July 10, 2023). PJM historically interpreted such language to require a new Interconnection Request for the addition of a new generating unit to an existing Generating Facility, such as an addition of an Energy Storage Resource.

<sup>22</sup> *See PJM Interconnection, L.L.C.*, Order No. 841 Compliance Filing ESR Markets and Operations Proposal, Docket No. ER19-469-000 (Dec. 3, 2018) (“Order No. 841 Compliance Filing”). PJM’s Tariff, both prior to the recent interconnection process reform and currently, define 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

Resources, PJM noted “[w]hether interconnected at the transmission or distribution level or behind a customer meter, PJM treats [Energy Storage Resources] in the same manner it treats all other resources requesting to interconnect to participate in PJM’s Capacity, Energy, and/or Ancillary Services markets.”<sup>23</sup> The Commission accepted this aspect of PJM’s compliance as just and reasonable.<sup>24</sup> Since its inception, an Energy Storage Resource has been considered a generating unit and, therefore, the Tariff requires that the addition of an Energy Storage Resource to an existing Generating Facility occur through submittal of a new Interconnection Request.<sup>25</sup>

The Complainants point to the section 3.1 of Appendix 2 of the Burlington ISA as support for the argument that they may make modifications to the facility that include adding an Energy Storage Resource. While the Burlington ISA, Appendix 2 at section 3.1 allows for the Interconnection Customer to “undertake modifications to its facilities[,]”<sup>26</sup> the subsequent section 3.2 qualifies that statement by noting: “[t]his Section 3 shall *not* apply to any proposed modifications by Interconnection Customer to its facilities *for which Interconnection Customer must make an Interconnection Request* under the Tariff.”<sup>27</sup>

---

in the PJM Energy, Capacity and/or Ancillary Services markets as a Market Participant.” Tariff, Part VII, Subpart A, section 300, Definitions E (Definition of Energy Storage Resources).

<sup>23</sup> Order No. 841 Compliance Filing at 9.

<sup>24</sup> *PJM Interconnection, L.L.C.*, 169 FERC ¶ 61,049, at P 66 (2019) (“We find that PJM complies with Order No. 841 by appropriately specifying that it will apply existing rules governing its interconnection process to resources participating under the Storage Participation Model.”).

<sup>25</sup> See Connell Aff. ¶ 7 (“PJM treats an Energy Storage Resource as it does any other generating unit. PJM requires that an Interconnection Customer submit a new Interconnection Request when adding a new generating unit, such as an Energy Storage Resource, to an existing Generating Facility.”).

<sup>26</sup> Tariff, Attachment O (ISA), Appendix 2, section 3.1 (effective prior to July 10, 2023); Burlington ISA, Appendix 2, section 3.1.

<sup>27</sup> Tariff, Attachment O (ISA), Appendix 2, section 3.2 (emphasis added) (effective prior to July 10, 2023); see also Burlington ISA, Appendix 2, section 3.2.

Notably, the Complaint relies on reading section 3.1 without the qualifying language of section 3.2.<sup>28</sup>

Since the Tariff requires a new Interconnection Request any time an Interconnection Customer seeks to interconnect a generating unit to the Transmission System, section 3.2 means the Complainants' requested modification of adding an Energy Storage Resource to the existing natural gas Generating Facility cannot occur under section 3.1 of ISA, Appendix 2. This is the case for an Energy Storage Resource just as it is for any other resource type.<sup>29</sup> Simply stated, the Tariff requires a new Interconnection Request for the addition of an Energy Storage Resource to an existing natural gas fired Generating Facility.

2. *Adding an Energy Storage Resource to an existing natural gas facility is a fuel change that requires a New Service Request under PJM's Manuals.*

Complainants argue that PJM's Manuals support their claim that the addition of an Energy Storage Resource to an existing natural gas Generating Facility is a modification that should occur under a Necessary Study, rather than a New Service Request. This is incorrect.

First, as demonstrated above, the currently effective Tariff requires a new Interconnection Request for such a modification. Further, even if presuming *arguendo* PJM's Manuals provided Complainants with the right to a Necessary Study that they claim they have, thereby creating a potential contradiction between the Tariff and PJM Manuals,

---

<sup>28</sup> See Complaint at 19. In a later argument, the Complaint dismissively notes section 3.2 as the "only limitation" to the modification process. *Id.* at 21.

<sup>29</sup> See Connell Aff. ¶ 7.



the Tariff controls.<sup>30</sup> Third, PJM’s currently effective Tariff mandates that no fuel type changes can be made to a New Service Request after it is submitted,<sup>31</sup> which is reinforced by PJM’s currently effective Manuals.<sup>32</sup> Therefore, the addition of an Energy Storage Resource to an existing natural gas Generating Facility would violate this requirement and warrant a New Service Request.

Even if the Commission were to consider the guidance of PJM’s Manuals prior to the transition to the currently effective Tariff provisions, PJM’s Manual 14G provided additional guidance that specifically clarified that PJM required a new Interconnection Request for the addition of an Energy Storage Resource to an existing natural gas facility, as it is a fuel change. Under the previous interconnection process, an Interconnection Request for a project had to specify the fuel type in the Interconnection Request application.<sup>33</sup> As the previously effective PJM Manual 14G, in the section addressing changes to existing and proposed generation, stated, “[a] change of fuel type for all or a

---

<sup>30</sup> See *W. Deptford Energy, LLC v. FERC*, 766 F.3d 10, 23 (D.C. Cir. 2014) (stating “language in a non-binding pleading” does not provide sufficient notice to parties to overrule the provisions of the tariff); see also *PJM Interconnection, L.L.C.*, 171 FERC ¶ 61,145, at P 58 (2020) (“[I]f a manual provision conflicts with a filed tariff provision, the tariff provision governs”); *Diamond State Generation Partners, LLC*, 167 FERC ¶ 61,262, at P 10 (2019) (“[I]n the event of a conflict between a filed tariff and an unfiled business practice manual, the tariff governs[.]”); *Cal. Indep. Sys. Operator Corp.*, 154 FERC ¶ 61,122, at P 16 (2016) (“Commission precedent has long held that when a conflict exists between a filed tariff and an unfiled business practice manual, the tariff governs.”); *Midwest Indep. Transmission Sys. Operator, Inc.*, 117 FERC ¶ 61,113, at P 47 (2006) (“[T]he filed and accepted tariff is the governing document and not the Business Practice Manuals - the former has precedence over the latter and not the other way around.”).

<sup>31</sup> Tariff, Part VIII, Subpart C, section 406(B)(3) (“The fuel type specified in the New Service Request may not be changed or modified in any way for any reason[.]”).

<sup>32</sup> See Interconnection Projects Department, *PJM Manual 14H: New Service Requests Cycle Process*, PJM Interconnection, L.L.C., sections 9.8, 9.8.2 (Rev. 00, July 26, 2023), <https://pjm.com/-/media/documents/manuals/m14h.ashx> (“The fuel type for a New Service Request may not be changed for any reason at any time[.]”) (“PJM Manual 14H”).

<sup>33</sup> Interconnection Planning Department, *PJM Manual 14G: Generation Interconnection Requests*, PJM Interconnection, L.L.C., section 4.5.2 (Rev. 8, July 26, 2023), <https://pjm.com/-/media/documents/manuals/m14g.ashx> (“PJM Manual 14G”). This language is unchanged in the current PJM Manual.

portion of an existing [I]nterconnection [R]equest will require the Developer to submit a new interconnection request.”<sup>34</sup> The previous version of PJM Manual 14G specifically used the addition of an Energy Storage Resource as an example, stating, “if a Developer would like to convert 20 MWs of a 100 MW solar facility to battery storage, then the first queue position for the solar project must be reduced by 20 MW and a new 20 MW interconnection request for the battery storage must be submitted.”<sup>35</sup> Simply stated, PJM currently requires a new Interconnection Request, and previously required the same, for a modification that involves a fuel change such as adding an Energy Storage Resource to a natural gas-fired facility.<sup>36</sup>

The Complaint ignores the requirement set forth in the previously effective PJM Manual 14G, at section 4.5.2, repeatedly arguing that only an increase to the Maximum Facility Output or Capacity Interconnection Rights associated with a Generating Facility in excess of what is stated in the ISA would warrant a new Interconnection Request.<sup>37</sup> Section 4.5.2 of PJM Manual 14G requires a new Interconnection Request for a change of fuel type *regardless* of whether the new fuel type increases the Maximum Facility Output

---

<sup>34</sup> *Id.*

<sup>35</sup> *Id.*

<sup>36</sup> See Connell Aff. ¶ 10. The Complaint points to examples of PJM allowing the Necessary Study process for modifications that change a Generating Facility running on coal to one running on natural gas. In that situation, the project does not change how its facility’s machine works with the transmission system, since the Generating Facility still uses steam generation. Therefore, PJM does not consider it a fuel change. Similarly, when a Generating Facility that is a wind farm changes turbines, that change does not alter how the Generating Facility’s machine works with the Transmission System. However, adding an Energy Storage Resource to a natural gas facility adds a new machine that works entirely differently with the Transmission System from the existing one, requiring treatment as a fuel change. See Connell Aff. ¶¶ 8-10.

<sup>37</sup> Complaint at 16 (“Notably, the only types of changes for which Manual 14G requires the submission of a new interconnection request without first conducting a necessary study is when a resource is increasing its MFO or CIRs in excess of what is stated in the ISA for the generation resource.”); *id.* at 21 (“The language of PJM’s Manuals confirms, however, that the types of changes to an existing generation resource that automatically require the submission of a new interconnection request is an increase in the MFOs or CIRs set out in a resource’s ISA.”).

or Capacity Interconnection Rights at the Point of Interconnection.<sup>38</sup> The Complaint attempts to support its arguments relying only on the caveat in PJM Manual 14G, section 4.5, which allows changes to “the electrical characteristics of the existing generating unit” to proceed through a Necessary Study.<sup>39</sup> However, PJM only allows such modifications when they do not also change the fuel type. The Complaint’s failure to consider this requirement fatally undercuts its arguments. Therefore, the Commission should dismiss the Complaint.

*3. PJM’s actions are not unjust, unreasonable, or unduly discriminatory against Energy Storage.*

While the Complaint argues that the Commission recently found in Order No. 2023 that the addition of energy storage to a pending Interconnection Request may not be automatically deemed a material modification requiring a new Interconnection Request,<sup>40</sup> the finding is inapplicable here. First, the Complainants seek to add an Energy Storage Resource to an *existing* Generating Facility of a different fuel type, rather than a *pending* Interconnection Request, a detail the Complaint dismisses by arguing that the Commission’s rationale applies equally here due to an Energy Storage Resource’s “unique operating characteristics[.]”<sup>41</sup> The argument fails. The addition of the Energy Storage

---

<sup>38</sup> The Complaint also argues that PJM’s Manuals allow developers to use the Necessary Study process to evaluate the addition of generating units in excess of what was previously studied. Complaint at 22. However, if the developer is changing the fuel type of an existing resource (e.g., adding an Energy Storage Resource to an existing natural gas facility under PJM Queue No. Y3-048), PJM requires that such a change in fuel type needs a new Interconnection Request, as discussed above. See PJM Manual 14G, section 4.5.2 (Rev. 8); see also *PJM Interconnection, L.L.C.*, Submission of Interconnection Agreements and Notices of Cancellation, Docket No. ER16-367-000 (Nov. 20, 2015); PJM Manual 14H, sections 9.8, 9.8.2 (Rev. 00 currently effective) (“The fuel type for a New Service Request may not be changed for any reason at any time[.]”).

<sup>39</sup> Complaint at 20.

<sup>40</sup> Complaint at 25-26.

<sup>41</sup> Complaint at 26-27.

Resource sought by the Complainants is not only a change in fuel type, but also one that “involves the addition of storage units that will charge from the grid,”<sup>42</sup> which under the Tariff and PJM Manuals requires a new Interconnection Request, as discussed above.<sup>43</sup> Complainants even concede that such an addition may “not always have a positive or at least neutral impact on the grid.”<sup>44</sup> While the Complaint argues the potential effect on the grid is reason for a Necessary Study, PJM recognizes and treats the addition of a new generating unit to an existing Generating Facility as a more consequential change that requires a new Interconnection Request.

Second, Order No. 2023’s new requirement does not mean that addition of an Energy Storage Resource may not still require its own Interconnection Request, rather it requires that the transmission provider perform an evaluation of a proposed addition of a generating unit to a pending Interconnection Request at the same point of interconnection before deeming that addition a material modification.<sup>45</sup> Moreover, the new rule is limited to “requests received prior to the interconnection customer’s return of the executed facilities study agreement”<sup>46</sup> and includes an explicit exception for “transmission providers

---

<sup>42</sup> Complaint, Attachment A, Ex. C at 2.

<sup>43</sup> Since PJM holds the same requirement for any addition of a generating unit different in fuel type from an existing Generating Facility, an argument of undue discrimination fails. *See Mo. River Energy Servs. v. FERC*, 918 F.3d 954, 958 (D.C. Cir. 2019) (“A mere difference in the treatment of two entities does not violate that provision [FPA section 206(b)]; instead, undue discrimination occurs only if the entities are ‘similarly situated,’ such that ‘there is no reason for the difference.’” (quoting *State Corp. Comm’n of Kan. v. FERC*, 876 F.3d 332, 335 (D.C. Cir. 2017) & *Transmission Access Policy Study Grp. v. FERC*, 225 F.3d 667, 721 (D.C. Cir. 2000) (per curiam))).

<sup>44</sup> Complaint at 27.

<sup>45</sup> *Improvements to Generator Interconnection Procedures and Agreements*, Order No. 2023, 184 FERC ¶ 61,054, at P 1406, *reh’g denied*, 184 FERC ¶ 62,163, *limited order on reh’g*, 185 FERC ¶ 61,063 (2023) (“Limited Order”), *appeals pending*, Petition for Review, *Advanced Energy United v. FERC*, Nos. 23-1282, et al. (D.C. Cir. Oct. 6, 2023).

<sup>46</sup> Order No. 2023 at P 1406.

that employ fuel-based dispatch assumptions from these requirements.”<sup>47</sup> Here, the Burlington ISA for the existing Generating Facility was executed in 2015, and PJM employs fuel-based dispatch assumptions,<sup>48</sup> both of which render the new rule inapplicable.

Third, this aspect of Order No. 2023 is currently pending on rehearing.<sup>49</sup> Order No. 2023 itself was not effective until November 6, 2023, with compliance filings not due until April 3, 2024,<sup>50</sup> and therefore it is not controlling for purposes of this Complaint. Adding a new generating unit to a pending Interconnection Request is fundamentally different from a proposal to add a generating unit to an existing Generating Facility, because that facility is in service, and all studies and required upgrades for such facility have been completed. Such requests are required under the Tariff to submit a new Interconnection Request,<sup>51</sup> and there is no reason to excuse the Complainants from this requirement. The Commission should dismiss these arguments as irrelevant.

***B. PJM Does Not Refuse to Study Energy Storage Resources.***

Complainants’ claims that PJM has refused to study Energy Storage Resources through the Necessary Study process<sup>52</sup> are incorrect and provide no basis for granting the

---

<sup>47</sup> Order No. 2023 at P 1406.

<sup>48</sup> See e.g., Transmission Planning Department, *PJM Manual 14B: PJM Region Transmission Planning Process*, PJM Interconnection, L.L.C., section C.3.1.3 (Rev. 54, July 26, 2023), <https://pjm.com/-/media/documents/manuals/m14b.ashx> (“This approach to dispatching the generation attempts to broadly account for the economics and operating limitations of individual resource types during the period under examination.”).

<sup>49</sup> See *Improvements to Generator Interconnection Procedures and Agreements*, Request for Clarification and Rehearing of PJM Interconnection, L.L.C., Docket No. RM22-14-001, at 41-42 (Aug. 28, 2023). PJM asserted that this requirement would lead to time-consuming studies that would delay the interconnection process, and was inconsistent with the Commission’s goals in Order No. 2023 of facilitating a prompt study process that allows ready projects to move forward. *Id.*

<sup>50</sup> Limited Order at P 9.

<sup>51</sup> See Tariff, Part VIII, Subpart A, section 400, Definitions I (Definition of Interconnection Request) and Part IV, preamble.

<sup>52</sup> Complaint at 17, 25-27.

Complaint or relief the Complainants seek. PJM in no way refuses to study Energy Storage Resources via the Necessary Study process, and, in fact, PJM has evaluated modifications to facilities that include Energy Storage Resources via the Necessary Study process.<sup>53</sup> However, consistent with its Tariff, PJM does not view the Necessary Study process as appropriate for evaluation a proposed modification that results in the addition of a new generating unit behind a Point of Interconnection. This applies regardless of whether the new generating unit is an Energy Storage Resource, a renewable resource such as a wind or solar facility, or a more traditional facility such as natural gas or coal-fired generating unit.

The Complainants also assert that PJM's policy erects arbitrary barriers to the deployment of storage resources.<sup>54</sup> This claim, too, lacks merit. PJM has adopted numerous reforms, including in compliance with Order No. 841, to incorporate Energy Storage Resources both into its markets and under its interconnection procedures.<sup>55</sup> The fact that PJM is applying its Tariff requirements in non-discriminatory manner and PJM did not allow the Complainants to bypass these requirements does not mean PJM is erecting an artificial barrier to the deployment of Energy Storage Resources.

---

<sup>53</sup> See *PJM Interconnection, L.L.C.*, Original NSA, SA No. 6869, Queue No. AE2-071/AF1-203, Docket No. ER23-1706-000, at 4, Attachment A (Glover Creek NSA) section 3 and Attachment #1 (Apr. 25, 2023) (NSA filing to evaluate modifications to Customer Facility, including battery changes.), accepted by *PJM Interconnection, L.L.C.*, Letter Order, Docket No. ER23-1706-000 (June 22, 2023); see also *PJM Interconnection, L.L.C.*, Original NSA, SA No. 6773, Queue No. AD1-020, Docket No. ER23-1059-000, at 2 (Feb. 7, 2023) (NSA submission to evaluate changes to a solar generating and battery storage facility.), accepted by, *PJM Interconnection, L.L.C.*, Letter Order, Docket No. ER23-1059-000 (Mar. 30, 2023).

<sup>54</sup> Complaint at 27-28.

<sup>55</sup> See *supra* Part III.A.1 (discussing PJM's Order No. 841 reforms).

***C. The Complainants' Requested Relief Is Inappropriate, Unjust, Unreasonable, and Unduly Discriminatory.***

Even if the Complainants had met their initial FPA section 206 burden (which they have not), the Commission could not direct PJM to implement their requested remedy<sup>56</sup> as it is not just and reasonable. Allowing the proposed change to the Burlington Project Generating Facility to be evaluated through the Necessary Study process rather than requiring the submission of a new Interconnection Request would permit the Complainants to circumvent the interconnection process rules. This special treatment would be fundamentally unfair to other customers, who were and are subject to PJM's interconnection rules, and who made and continue to make business decisions based on the requirements of PJM's interconnection process that the Complainants are seeking to bypass.

FPA section 206 requires the proffered solution, i.e., the replacement rate, that will be implemented in place of the rate determined to be unjust and unreasonable (which the Complainants have not demonstrated in this case) to be just and reasonable.<sup>57</sup> The Complainants' suggested remedy would result in preferential treatment that is unjust, unreasonable, unsupported and unduly discriminatory, and should therefore be denied.

---

<sup>56</sup> See Complaint at 32 (requesting that the Commission "require PJM to study requests by the Complainants to reconfigure the existing Parkway Generation Resources to incorporate energy storage in accordance with the plain terms of the ISA and its Manuals and administer its necessary studies process in a not unduly discriminatory manner").

<sup>57</sup> See FPA section 206(a), 16 U.S.C. § 824e(a) (indicating that if an existing rate or practice is unjust and unreasonable, the Commission shall determine the just and reasonable rate or practice to apply thereafter); see, e.g., *Cities of Bethany v. FERC*, 727 F.2d 1131, 1143 (D.C. Cir. 1984) (explaining that under section 206, "FERC itself may establish the just and reasonable rate, provided that it first determines that a rate set by a public utility is unjust, unreasonable, or unduly discriminatory.").

**IV. ADMISSIONS AND DENIALS PURSUANT TO 18 C.F.R. § 385.213(c)(2)(i)**

Pursuant to Rule 213(c)(2)(i) of the Commission's Rules of Practice and Procedure,<sup>58</sup> PJM admits or denies the alleged material facts stated in the Complaint as follows: to the extent that any allegation set forth in the Complaint is not specifically admitted in this answer, it is denied.

**V. AFFIRMATIVE DEFENSES PURSUANT TO 18 C.F.R. § 385.213(c)(2)(ii)**

PJM's affirmative defenses are set forth above in this answer, and include the following, subject to amendment and supplementation.

1. Complainants have failed to satisfy their burden of proof under section 206 of the FPA, 16 U.S.C. § 824e, and have not demonstrated that PJM violated the FPA, any Commission order, Tariff, or any other Commission-jurisdictional governing document or that PJM administered its Tariff in an unjust, unreasonable, or unduly discriminatory manner in its processing and studies of the Complainants' Interconnection Requests.
2. If the Commission reaches the question of remedies in this proceeding, it cannot grant the Complainants' requested relief. The Complainants' requested remedy of requiring PJM to study their proposed modification through the Necessary Study process is not just and reasonable and is, in fact, unjust, unreasonable, unduly discriminatory and preferential. Allowing the proposed addition of an Energy Storage Resource to the existing natural gas Generating Facility to be evaluated through a Necessary Study process rather than requiring the submission of a new Interconnection

---

<sup>58</sup> 18 C.F.R. § 385.213(c)(2)(i).



Request would permit the Complainants to bypass the interconnection process rules. This special treatment would be fundamentally unfair to other customers who were subject to PJM's interconnection rules and who made business decisions based on the requirements of PJM's interconnection process that the Complainants attempt to bypass.

## **VI. CONCLUSION**

For the reasons set forth in this answer, the Commission should deny the Complaint.

Respectfully submitted,

/s/ Abraham F. Johns III

Wendy B. Warren  
Dave S. Berman  
Abraham F. Johns III  
WRIGHT & TALISMAN, P.C.  
1200 G Street, NW, Suite 600  
Washington, DC 20005-3898  
202-393-1200 (phone)  
202-393-1240 (fax)  
warren@wrightlaw.com  
berman@wrightlaw.com  
johns@wrightlaw.com

Craig Glazer  
Vice President – Federal Government Policy  
PJM Interconnection, L.L.C.  
1200 G Street, NW, Suite 600  
Washington, DC 20005  
202-423-4743 (phone)  
202-393-7741 (fax)  
craig.glazer@pjm.com

Christopher B. Holt  
Associate General Counsel  
PJM Interconnection, L.L.C.  
2750 Monroe Blvd,  
Audubon, PA 19403  
610-666-2368  
christopher.holt@pjm.com

***Counsel for  
PJM Interconnection, L.L.C.***

November 30, 2023

# Attachment A

**From:** [Holt, Christopher](#)  
**To:** [Hug, Stephen](#)  
**Cc:** [Tonja Wicks](#); [Reiter, Benjamin](#); [O'Hara, Chris](#)  
**Subject:** RE: Burlington Modification Request - Response Requested by October 6  
**Date:** Monday, October 9, 2023 1:14:00 PM

---

Mr. Hug.

Thank you for your email. PJM disagrees with your analysis and reaffirms that the project will require a new interconnection service request.

Regards,  
Christopher Holt

---

**From:** Hug, Stephen <SHug@akingump.com>  
**Sent:** Friday, September 29, 2023 7:08 PM  
**To:** Holt, Christopher <Christopher.Holt@pjm.com>  
**Cc:** Tonja Wicks <twicks@elevaterenewableenergy.com>; Reiter, Benjamin <BReiter@akingump.com>; O'Hara, Chris <Chris.OHara@pjm.com>  
**Subject:** Burlington Modification Request - Response Requested by October 6

 **External Email! Think before clicking links or attachments.**

Contact the Support Center immediately if you click on a link or open an attachment that appears malicious.

Mr. Holt,  
Please find attached a letter from Elevate Renewable Energy and Parkway Generation Operating requesting that PJM promptly confirm that it will process a request to modify the Burlington Generating Station to incorporate energy storage through the Necessary Studies process consistent with the terms of the interconnection service agreement for the Burlington facilities. We respectfully request your response to this letter no later than **October 6, 2023**.

**Stephen J. Hug**  
**Akin**

Robert S. Strauss Tower | 2001 K Street N.W. | Washington, DC 20006 | USA | Direct: [+1 202.887.4084](tel:+12028874084) | Internal: [24084](tel:24084)  
Fax: +1 202.887.4288 | [shug@akingump.com](mailto:shug@akingump.com) | [akingump.com](http://akingump.com) | [Bio](#)

This email message was sent from Akin Gump Strauss Hauer & Feld LLP. The information contained in this e-mail message is intended only for the personal and confidential use of the recipient(s) named above. If you have received this communication in error, please notify us immediately by e-mail, and delete the original message

# Attachment B

Affidavit of  
Jason P. Connell

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

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

Elevate Renewables F7, LLC,	)	
Parkway Generation Operating LLC,	)	
Complainants,	)	
	)	Docket No. EL24-8-000
v.	)	
	)	
PJM Interconnection, L.L.C.,	)	
Respondent.	)	

**AFFIDAVIT OF JASON P. CONNELL  
ON BEHALF OF PJM INTERCONNECTION, L.L.C.**

1. My name is Jason P. Connell. My business address is 2750 Monroe Blvd., Audubon, Pennsylvania, 19403. I currently serve as Executive Director of Interconnection Planning at PJM Interconnection, L.L.C. (“PJM”). My duties and responsibilities include oversight of the Interconnection Projects and Interconnection Analysis departments. Collectively, the departments oversee the project management and the engineering studies associated with all New Service Requests. The purpose of my affidavit is to describe the current state of PJM’s interconnection process and the ongoing reforms to modify that process.

2. I am submitting this affidavit on behalf of PJM in response to the Elevate Renewables Complaint.<sup>1</sup>

---

<sup>1</sup> *Elevate Renewables F7, LLC v. PJM Interconnection, L.L.C.*, Complaint of Elevate Renewables F7, LLC and Parkway Generation Operating LLC, Docket No. EL24-8-000 (Oct. 31, 2023) (“Elevate Renewables Complaint”). The PJM Open Access Transmission Tariff (“Tariff”), the Amended and Restated Operating Agreement of PJM Interconnection, L.L.C., and the Reliability Assurance Agreement Among Load Serving Entities in the PJM Region are, collectively, the “Governing Documents.” Capitalized terms not defined herein have the meaning set forth in the Governing Documents.

3. I joined PJM in 2012 and have held various positions within the organization before my current position. Prior to that time, I held engineering and supervisory positions at PECO Energy and Unisys Corporation. I received a Bachelor of Science in Electrical Engineering from Drexel University in 2001 and a Master of Business Administration from Villanova University in 2015.

4. My affidavit outlines PJM's historical approach, based on the PJM Open Access Transmission Tariff ("Tariff") rules, to adding an Energy Storage Resource to an existing Generating Facility of a different fuel type and addresses PJM's discussions with the Complainants about their proposed change.

5. In June 2023, representatives of Parkway Generation Operating LLC ("Parkway") contacted PJM. During multiple conversations between PJM and Parkway, PJM discussed, at a high level, the changes that could occur at Parkway's existing natural gas Generating Facility, the Burlington Generation Station.<sup>2</sup> From June 2023 to October 2023, PJM and Parkway had a number of conversations and exchanged correspondence regarding Parkway's desire to add an Energy Storage Resource to an existing natural gas fired Generating Facility. PJM stated such a modification would require a new Interconnection Request. PJM's position is reflected in the email exchanges attached to the Complaint.<sup>3</sup>

---

<sup>2</sup> See *PJM Interconnection, L.L.C.*, Submission of Interconnection Agreements and Notices of Cancellation, Docket No. ER16-367-000, at 5 (Nov. 20, 2015); *id.*, Attachment A (Service Agreement No. 4291) ("Burlington ISA") at Specifications section 1.0(d) ("Description of the equipment configuration: Unit 12 consists of four (4) combustion turbine generators. They run on gas or oil and are connected to a local 138 kV system through four (4) individual step-up transformers. The four (4) individual step-up transformers are connected to the 230 kV system through a 138 kV to 230 kV auto-transformer."); see also *PJM Interconnection L.L.C.*, Letter Order, Docket No. ER16-347-000 (Jan. 11, 2016).

<sup>3</sup> See Complaint, Attachment A, Ex. B at 3 ("Our goal is to submit a Generator Modification request at the existing Burlington facility in order to incorporate the addition of a battery storage system (not to exceed the nameplate capacity listed in the current Burlington Interconnection Agreement)."); see also Complaint, Attachment A, Ex. B at 1 (responding to Complainants, PJM explains that "[a]dding energy storage to an

6. PJM’s historical approach, consistent with the currently effective Tariff, requires submission of a new Interconnection Request to add a new generating unit to an existing Generating Facility. Under PJM’s Tariff, a “Generating Facility” is a “Project Developer’s device for the production and/or storage for later injection of electricity identified in the New Service Request” and explicitly “consists of one or more generating unit(s) and/or storage device(s) which usually can operate independently and be brought online or taken offline individually.”<sup>4</sup> When a Project Developer proposes to “interconnect a Generating Facility to the Transmission System in the PJM Region,” the Project Developer must “request interconnection with the Transmission System pursuant to, and shall comply with, the terms, conditions, and procedures set forth in Tariff, Part VIII and related portions of the PJM Manuals.”<sup>5</sup>

7. This treatment is also consistent with the definition of Interconnection Request under the Burlington ISA, which defines Generation Interconnection Request as “a request by a Generation Interconnection Customer . . . to interconnect a generating unit with the Transmission System *or* to increase the capacity of a generating unit interconnected with the Transmission System in the PJM Region.”<sup>6</sup> PJM treats an Energy Storage Resource<sup>7</sup> as it does any other generating unit. PJM requires that an

---

existing generating facility requires a new Service Request be entered into Queue Point. It does not follow the necessary study process.”).

<sup>4</sup> Tariff, Part VIII, Subpart A, section 400, Definitions G (Definition of Generating Facility).

<sup>5</sup> Tariff, Part VIII, Subpart A, section 401(C).

<sup>6</sup> Burlington ISA at Appendix 1 (emphasis added).

<sup>7</sup> Tariff, Part VIII, Subpart A, section 400, Definitions E (Definition of Energy Storage Resource); *see also PJM Interconnection, L.L.C.*, 169 FERC ¶ 61,049, at P 66 (2019) (accepting incorporation of an Energy Storage Resource into PJM’s Tariff “by appropriately specifying that it will apply existing rules governing its interconnection process to resources participating under the Storage Participation Model”).

Interconnection Customer submit a new Interconnection Request when adding a new generating unit, such as an Energy Storage Resource, to an existing Generating Facility.<sup>8</sup>

8. Moreover, given the specifics of this situation, in which the Interconnection Customer is seeking to add a generation unit of a different fuel type to an existing Generating Facility, another Tariff rule is applicable also and clarifies that submission of a new Interconnection Request is required. Specifically, PJM's Tariff mandates that no fuel type changes can be made to a New Service Request<sup>9</sup> after it is submitted,<sup>10</sup> which is reinforced by PJM's currently effective Manuals.<sup>11</sup>

9. This rule applies when the change to the Generating Facility's fuel type will alter how the generating machine interacts with the Transmission System. For example, modifying a Generating Facility that converts energy stored in coal to energy stored in natural gas, as referenced in the Complaint,<sup>12</sup> does not fundamentally change how the Generating Facility's machine interacts with the Transmission System as, ultimately, the Generating Facility remains a steam generator that is now heated by an alternate fuel source and, therefore, interfaces with the Transmission System in the same way. The fuel change may, however, have implications for the study approach as reflected in the PJM Manuals. Different fuel types have varying characteristics, such as historical run times and durations

---

<sup>8</sup> See Tariff, Part VIII, Subpart A, section 400, Definitions G (Definition of Generating Facility).

<sup>9</sup> Under the currently effective Tariff, a New Service Request means "an Interconnection Request or a Completed Application." Tariff, Part VIII, Subpart A, section 400, Definitions N (Definition of New Service Request).

<sup>10</sup> Tariff, Part VIII, Subpart C, section 406(B)(3) ("The fuel type specified in the New Service Request may not be changed or modified in any way for any reason[.]").

<sup>11</sup> See Interconnection Projects Department, *PJM Manual 14H: New Service Requests Cycle Process*, PJM Interconnection, L.L.C., sections 9.8, 9.8.2 (Rev. 00, July 26, 2023), <https://pjm.com/-/media/documents/manuals/m14h.ashx> ("The fuel type for a New Service Request may not be changed for any reason at any time[.]").

<sup>12</sup> See Complaint at 17, 24; *id.*, Attachment 1 (Affidavit of Eric Cherniss in Support of Complaint) ¶¶ 8, 12.



that depend on the time of day and/or year, that are reflected in the necessary studies PJM performs pursuant to a Necessary Study Agreement.

10. Adding an Energy Storage Resource to an existing natural gas Generating Facility will have a more significant impact on the interface of the Generating Facility to the Transmission System, as it adds an additional machine with very different characteristics than a natural gas-fired facility. The differences create additional interaction with the Transmission System, requiring treatment of the additional machine as a new generating unit and, accordingly, a new Interconnection Request.

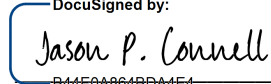
10. This concludes my Affidavit.

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

Elevate Renewables F7, LLC,	)	
Parkway Generation Operating LLC,	)	
Complainants,	)	
	)	Docket No. EL24-8-000
v.	)	
	)	
PJM Interconnection, L.L.C.,	)	
Respondent.	)	

**VERIFICATION**

I, Jason P Connell, pursuant to 28 U.S.C. § 1746, state, under penalty of perjury, that I am the Jason P Connell referred to in the foregoing “Affidavit of Jason P Connell on Behalf of PJM Interconnection, L.L.C.,” that I have read the same and am familiar with the contents thereof, and that the facts set forth therein are true and correct to the best of my knowledge, information, and belief.

DocuSigned by:  
  
B44E0A864BDA4E4...  
Jason P. Connell.

Executed on: November 30, 2023

## **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 30th day of November 2023.

*/s/ Abraham F. Johns III*  
Abraham F. Johns III