

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

Welcome Solar, LLC)	
Welcome Solar II, LLC)	
Welcome Solar III, LLC)	
Complainants,)	Docket No. EL24-73-000
)	
v.)	
)	
PJM Interconnection, L.L.C.)	
Respondent.)	
PJM Interconnection, L.L.C.)	Docket Nos. ER24-994-000,
)	ER24-995-000,
)	and ER24-1001-000
)	(not consolidated)

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

PJM Interconnection, L.L.C. (“PJM”), pursuant to Rules 212 and 213 of the Federal Energy Regulatory Commission (“Commission”) Rules of Practice and Procedure,¹ respectfully submits this Motion for Leave to Answer and Answer to the answer filed April 19, 2024, in these proceedings² by Welcome Solar, LLC, Welcome Solar II, LLC, and Welcome Solar III, LLC (collectively, “Welcome Solar”).

¹ 18 C.F.R. §§ 385.212, 385.213.

² *Welcome Solar, LLC, Welcome Solar II, LLC, Welcome Solar III, LLC v. PJM Interconnection, L.L.C.*, Motion for Leave to Answer and Answer of Welcome Solar, LLC, Welcome Solar II, LLC, and Welcome Solar III, LLC, Docket No. EL24-73-000 (Apr. 19, 2024) (“April 19 Answer”); *see also PJM Interconnection, L.L.C.*, Notice of Cancellation of Service Agreement No. 6475; Queue No. AE1-079, Docket No. ER24-994-000 (Jan. 24, 2024); *PJM Interconnection, L.L.C.*, Notice of Cancellation of Service Agreement No. 6454; Queue No. AE1-237, Docket No. ER24-995-000 (Jan. 25, 2024); *PJM Interconnection, L.L.C.*, Notice of Cancellation of Service Agreement No. 6239; Queue No. AE2-343, Docket No. ER24-1001-000 (Jan. 25, 2024) (“Notices of Cancellation”).

The April 19 Answer does nothing to support Welcome Solar’s claims or bolster its request for relief. In fact, the April 19 Answer reinforces that PJM properly issued the Notices of Cancellation that are the subject of these proceedings. The Commission should therefore deny Welcome Solar’s Complaint³ and accept the Notices of Cancellation.

I. MOTION FOR LEAVE TO ANSWER

While an answer to an answer is not a matter of right under the Commission’s regulations,⁴ the Commission routinely permits such answers when the answer provides useful and relevant information that will assist the Commission in its decision-making process,⁵ assures a complete record in the proceeding,⁶ and provides information helpful to the disposition of an issue.⁷ This answer satisfies these criteria, and PJM therefore respectfully requests that the Commission accept this pleading.

II. ANSWER

A. PJM’s Substantial Site Work Milestone Definition Is Clear.

Welcome Solar’s claim that PJM has “redefine[d]” the substantial site work

³ *Welcome Solar, LLC, Welcome Solar II, LLC, Welcome Solar III, LLC v. PJM Interconnection, L.L.C.*, Complaint and Request for Fast Track Processing of Welcome Solar, LLC, Welcome Solar II, LLC, and Welcome Solar III, LLC, Docket No. EL24-73-000 (Feb. 14, 2024) (“Complaint”).

⁴ 18 C.F.R. § 385.213(a)(2).

⁵ See, e.g., *Pioneer Transmission, LLC v. N. Ind. Pub. Serv. Co.*, 140 FERC ¶ 61,057, at P 94 (2012) (accepting answers that “provided information that assisted us in our decision-making process”); *Tallgrass Transmission, LLC*, 125 FERC ¶ 61,248, at P 26 (2008) (same); *Midwest Indep. Transmission Sys. Operator, Inc.*, 120 FERC ¶ 61,083, at P 23 (2007) (permitting answer to protests when it provided information that assisted the Commission in its decision-making process).

⁶ See, e.g., *Pac. Interstate Transmission Co.*, 85 FERC ¶ 61,378, at 62,443 (1998), *order on reh’g*, 89 FERC ¶ 61,246 (1999); see also *Morgan Stanley Cap. Grp., Inc. v. N.Y. Indep. Sys. Operator, Inc.*, 93 FERC ¶ 61,017, at 61,036 (2000) (accepting an answer that was “helpful in the development of the record”).

⁷ See, e.g., *CNG Transmission Corp.*, 89 FERC ¶ 61,100, at 61,287 n.11 (1999).

milestone falls flat.⁸ As PJM made clear in its March 29, 2024 answer,⁹ it has consistently defined “Substantial Site Work” as “[m]ajor site construction activities which are initiated with the site preparation and are typically considered complete with the end of civil construction activities.”¹⁰ Welcome Solar ignores the plain meaning of this definition, insisting that PJM “does not explain what it means” to conduct major site construction activities.¹¹ The Commission should not be swayed by Welcome Solar’s obfuscation. Industry practice—and indeed, common sense—dictates that “major site construction activities” necessarily include breaking ground on a construction site. This interpretation is rational, reasonable, and comports with the global understanding that “major” site construction requires holes in the dirt.

PJM understood that Welcome Solar could not break ground during winter conditions,¹² but relied on Welcome Solar’s representations that it would start civil construction activities “within the next few weeks.”¹³ PJM further relied on Welcome Solar’s representation that the Notice to Proceed would be issued no later than May 2023,¹⁴ prior to the July 2023 and later milestones set forth in the Welcome Solar Interconnection Service Agreements (“ISAs”). Contrary to Welcome Solar’s

⁸ April 19 Answer at 4.

⁹ *Welcome Solar, LLC, Welcome Solar II, LLC, Welcome Solar III, LLC v. PJM Interconnection, L.L.C.*, Motion for Leave to Answer and Answer of PJM Interconnection, L.L.C., Docket No. EL24-73-000, at 3 (Mar. 29, 2024).

¹⁰ *PJM Manual 14C: Interconnection Facilities, and Network Upgrade Construction*, PJM Interconnection, L.L.C., § 2.2.6 (July 19, 2023), <https://pjm.com/~media/documents/manuals/m14c.ashx> (emphasis added).

¹¹ April 19 Answer at 5.

¹² See Complaint, Exhibit J at 3 (“As is typical for construction in this region, work over the winter months was minimal due to local weather conditions and is expected to accelerate in the coming months.”)

¹³ *Id.*

¹⁴ See *id.*

insistence,¹⁵ the Commission’s rule of reason does not require PJM to spell out the universally accepted and understood concept of “major site construction activities” in the PJM Open Access Transmission Tariff (“Tariff”).¹⁶

Welcome Solar attempts to counter the common sense definition of substantial site work by arguing that substantial site work should include “significant expenditure of funds, contracting of major relevant construction activities, and advances in project designs.”¹⁷ This interpretation, which has no support in the Tariff or the PJM Manuals, expands the substantial site work definition so far as to render it unworkable, as it would include preliminary, non-physical preparation work that would supplant the actual physical work that is the substance of this particular milestone.¹⁸ This interpretation would also inevitably lead to inefficient processing of the interconnection queue and could result in discriminatory treatment, as PJM would be forced to determine satisfaction of the substantial site work milestone on a case-by-case basis.

PJM reasonably requires evidence of actual, *physical* construction to satisfy this milestone, but the April 19 Answer, like Welcome Solar’s prior pleadings, offers no additional evidence indicating that Welcome Solar initiated *any* site construction

¹⁵ April 19 Answer at 11.

¹⁶ See *Energy Storage Ass’n v. PJM Interconnection, L.L.C.*, 162 FERC ¶ 61,296, at P 103 n.232 (2018) (citing *Midcontinent Indep. Sys. Operator, Inc.*, 158 FERC ¶ 61,003, at P 69 n.113 (2017) (utilities must file “only those practices that affect rates and service significantly, that are reasonably susceptible of specification, and that are not so generally understood in any contractual arrangement as to render recitation superfluous”).

¹⁷ April 19 Answer at 6 n.26.

¹⁸ The Commission has long held that regional transmission organization governing documents “should be interpreted in such a way as to avoid unfair, unusual, absurd or improbable results.” *Monterey MA, LLC v. PJM Interconnection, L.L.C.*, 165 FERC ¶ 61,201, at P 45 (2018) (quoting *Penn Cent. Co. v. Gen. Mills, Inc.*, 439 F.2d 1338, 1341 (8th Cir. 1971); *AEP Generating Co.*, Opinion No. 266-A, 39 FERC ¶ 61,158, at 61,626 (1987) (citing *Penn Cent. Co.*, 439 F.2d at 1340-41); see also *Sw. Power Pool, Inc.*, 163 FERC ¶ 61,063, at P 26 (2018)).

activities prior to the Notices of Cancellation being filed, let alone major site construction.¹⁹ To distract from its shortcomings, Welcome Solar asks the Commission to depart from industry practice and adopt a definition of substantial site work that is both unwieldy and could inadvertently result in undue discrimination. Welcome Solar has failed to demonstrate completion of its cure activities as represented, and the Complaint should therefore be denied.

B. Welcome Solar’s Allegations Regarding Milestone Extensions Should Be Rejected.

Welcome Solar again complains that PJM’s refusal to “engage in meaningful milestone discussions” is unjust and unreasonable, arguing that its facilities “would be much further along in the construction process” had their milestones been extended.²⁰ The Commission should decline to engage with this circular logic. As PJM has already explained, PJM exercised its discretion regarding whether to grant prospective milestone extensions and rightly concluded that engaging in such negotiations would not be fruitful given Welcome Solar’s failure to cure its Breaches of milestones already missed.²¹ Welcome Solar was in Default under all three of the Welcome Solar ISAs; as such, PJM reasonably declined to dedicate resources to considering extensions to Welcome Solar’s future milestone dates. Welcome Solar’s insistence that it would be “much further along” had it received milestone extensions does not square with its failure to cure Breach of

¹⁹ Welcome Solar alleges that it “‘diligently pursued’” curing its Breaches, but offers no evidence demonstrating such pursuit other than to point to “‘development and completion of the Facilities generally.’” April 19 Answer at 11.

²⁰ April 19 Answer at 13, 17.

²¹ See *Welcome Solar, LLC, Welcome Solar II, LLC, Welcome Solar III, LLC v. PJM Interconnection, L.L.C.*, Answer of PJM Interconnection, L.L.C., Docket No. EL24-73-000, at 17-18 (Feb. 28, 2024).

milestones that had already come and gone.²² The Complaint should therefore be denied.

III. CONCLUSION

For the reasons set forth above, the Commission should deny the Complaint and accept the Notices of Cancellation.

Respectfully submitted,

/s/ Elizabeth P. Trinkle

Wendy B. Warren

Elizabeth P. Trinkle

David S. Berman

Wright & Talisman, P.C.

1200 G Street, NW, Suite 600

Washington, DC 20005

(202) 393-1200 (phone)

(202) 393-1240 (fax)

warren@wrightlaw.com

trinkle@wrightlaw.com

berman@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 Holt

Managing Counsel

PJM Interconnection, L.L.C.

2750 Monroe Blvd

Audubon, PA 19403-2497

(610) 666-2368

Christopher.Holt@pjm.com

Counsel for PJM Interconnection, L.L.C.

May 6, 2024

²² April 19 Answer at 17.

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 6th day of May 2024.

/s/ Elizabeth P. Trinkle

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