

providing the Commission with a status update on the recalculation of the Base Residual Auction and the rerun of the Third Incremental Auction for the 2024/2025 Delivery Year.

I. MOTION FOR LEAVE TO ANSWER

The Commission's rules provide that a party may answer requests for rehearing where the decisional authority permits the answer for good cause shown. The Commission has accepted answers to requests for rehearing when doing so will ensure a more accurate and complete record or will assist the Commission in its deliberative process by clarifying the issues.⁵ In this case, to the extent deemed necessary,⁶ PJM respectfully requests that the Commission grant PJM's Motion for Leave to Answer because the Answer will help clarify the record and contribute to an understanding of the issues.

II. ANSWER

A. PJM Has Finalized the 2024/2025 Base Residual Auction Results and Commenced the Rerun of the 2024/2025 Third Incremental Auction.

Since the issuance of the May 6 Order, PJM has finalized the recalculated 2024/2025 Base Residual Auction results and, as such, awarded capacity commitments to resources based on these updated auction results. The final Base Residual Auction results were publicly posted on May 9, 2024.⁷ Additionally, in accordance with the Commission's order, PJM reopened the offer window for the 2024/2025 Third Incremental Auction on May 10, 2024. The reopening of this offer window for the Third Incremental Auction

⁵ The Commission regularly allows answers in such cases. *See, e.g., PJM Interconnection, L.L.C.*, 139 FERC ¶ 61,165, at P 24 (2012) (accepting answers to a protest because "they have provided information that assisted [the Commission] in [its] decision-making process"); *PJM Interconnection, L.L.C.*, 104 FERC ¶ 61,031, at P 10 (2003) (accepting answer because "it will not delay the proceeding, will assist the Commission in understanding the issues raised, and will [e]nsure a complete record upon which the Commission may act").

⁶ PJM's answer here also responds to the Load Parties' emergency motion for stay, which is permitted pursuant to 18 C.F.R. § 385.213(a)(3).

⁷ PJM Base Residual Auction Results, available at: <https://www.pjm.com/-/media/markets-ops/rpm/rpm-auction-info/2024-2025/2024-2025-base-residual-auction-results.ashx>.

allowed Capacity Market Sellers to make necessary adjustments to their offers given the recalculated Base Residual Auction results. The offer window for the Third Incremental Auction closed on May 16, 2024. PJM now expects to post final Third Incremental Auction results by May 23, 2024.⁸

In short, PJM has already finalized the recalculated the 2024/2025 Base Residual Auction, awarded capacity commitments based on these recalculated results, and rerun of the Third Incremental Auction closed on May 16, 2024. As a result, the Commission should not grant the PJM Load Parties request and inject further uncertainty into the capacity commitments for the 2024/2025 Delivery Year. Given the proximity to the commencement of the 2024/2025 Delivery Year on June 1, 2024, PJM urges the Commission to deny the PJM Load Parties rehearing request and motion for stay.

⁸ In response to the PJM Load Parties' argument that rerunning the Third Incremental Auction would upset settled expectations, PJM provided a stakeholder notification of a potential error in accordance with Tariff, Attachment DD, section 5.11(e) on March 18, 2024, before the close of the fifth business day of posting the initial Third Incremental Auction results. Thus, Market Participants have been on notice that the results of the Third Incremental Auction were not final and may be subject to change in light of the *PJM Power Providers* opinion.

III. CONCLUSION

Based on the foregoing, the Commission should deny the PJM Load Parties' request for expedited rehearing and emergency motion for stay.

Respectfully submitted,

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

/s/ Chenchao Lu
Chenchao Lu
Associate General Counsel
PJM Interconnection, L.L.C.
2750 Monroe Blvd.
Audubon, PA 19403
(610) 666-2255 (phone)
(610) 666-8211 (fax)
Chenchao.Lu@pjm.com

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

Dated May 17, 2024

CERTIFICATE OF SERVICE

I hereby certify that I have this 17th day of May, 2024 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/ Chenchao Lu

Chenchao Lu

Associate General Counsel

PJM Interconnection, L.L.C.

2750 Monroe Blvd.

Audubon, PA 19403

(610) 666-2255 (phone)

(610) 666-8211 (fax)

Chenchao.Lu@pjm.com