

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

PJM Interconnection, L.L.C.

)

Docket No. ER24-2401-000

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

Pursuant to Rules 212 and 213 of the Federal Energy Regulatory Commission (“Commission” or “FERC”) Rules of Practice and Procedure,¹ PJM Interconnection, L.L.C. (“PJM”) submits this Motion for Leave to Answer and Answer to the protest filed by Glidepath Ventures, LLC (“Glidepath”) and Astor I, LLC² in response to PJM’s June 28, 2024 filing to cancel the Interconnection Service Agreement (“ISA”) entered into among PJM, Glidepath and Mid-Atlantic Interstate Transmission, LLC. (“MAIT”) (“Glidepath ISA”).³ While the Protest attempts to show that the proposed cancellation of the Glidepath ISA is not justified, the fact of the matter is that Glidepath failed to meet certain milestones under the Glidepath ISA. PJM provided Glidepath a notice of breach letter, and despite that notice, Glidepath failed to cure its Breaches within the period allowed under the ISA, or within that period, “commence in good faith all steps that are reasonable and appropriate to cure the Breach within such thirty day time period and

¹ 18 C.F.R. §§ 385.212, 385.213.

² *PJM Interconnection, L.L.C.*, Protest of Glidepath Ventures, LLC and Astor I, LLC, Docket No. ER24-2401-000 (July 17, 2024) (“Protest”).

³ *PJM Interconnection, L.L.C.*, Notice of Cancellation of ISA, SA No. 5863; Queue No. AE2-249, Docket No. ER24-2401-000 (June 28, 2024) (“Notice of Cancellation Filing”). Capitalized terms not defined herein have the meaning set forth in the PJM Open Access Transmission Tariff (“Tariff”) or the Glidepath ISA. This answer is supported by the affidavit of Mr. Leo A. Amoling, a Senior Engineer in the PJM’s Interconnection Planning Analysis department (“Amoling Aff.”), included as Attachment 1 hereto.

thereafter diligently pursue such action to completion.”⁴ Glidepath therefore is in Breach and Default of that agreement, and the Notice of Cancellation filing is proper and consistent with PJM’s remedies under the Glidepath ISA. Accordingly, the Commission should accept the Notice of Cancellation Filing, and deem the Glidepath ISA to be terminated effective June 22, 2024.⁵

I. MOTION FOR LEAVE TO ANSWER

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

II. BACKGROUND

The Glidepath ISA is intended to interconnect the BE-ASTOR Customer facility, a 16.6 megawatt solar generating facility to the PJM Transmission System.⁸ The Glidepath ISA is associated with PJM Queue No. AE2-249, was designated as Service Agreement

⁴ See Glidepath ISA, Appendix 2, section 15.4.1.

⁵ As explained in the Notice of Cancellation Filing, PJM is also terminating a conforming Interconnection Construction Service Agreement (“ICSA”) between the Parties, designating as Service Agreement No. 5864 (“Glidepath ICSA”). Because that agreement was conforming, it was not filed with the Commission, but was reported in PJM’s Electric Quarterly Report (“EQR”). PJM will report the cancellation of this ICSA in its EQR effective as of June 22, 2024, the same date as requested for the Glidepath ISA. Notice of Cancellation Filing at 2 n.4. The Glidepath ICSA is posted on the PJM web site. *Interconnection Construction Service Agreement Among PJM Interconnection, L.L.C. And Glidepath Ventures, LLC And Mid-Atlantic Interstate Transmission, LLC*, PJM Interconnection, L.L.C. (Jan. 19, 2021), https://www.pjm.com/pub/planning/project-queues/csa/ae2_249_csa.pdf.

⁶ 18 C.F.R. § 385.213(a)(2).

⁷ See, e.g., *Energy Harbor Corp.*, 186 FERC ¶ 61,129, at P 38 (2024); *Grand River Dam Auth.*, 186 FERC ¶ 61,045, at P 30, *order on reh’g*, 187 FERC ¶ 61,211 (2024).

⁸ Glidepath ISA, Specifications sections 1.0(a), (c) & (d).

No. 5863, and was filed with and accepted by the Commission effective December 3, 2020.⁹ The Glidepath ISA established the following milestone dates:

6.1 Substantial Site work completed. On or before March 1, 2021 Interconnection Customer must demonstrate completion of at least 20% of project site construction. At this time, Interconnection Customer must submit to Interconnected Transmission Owner and Transmission Provider initial drawings, certified by a professional engineer, of the Customer Interconnection Facilities.

6.2 Delivery of major electrical equipment. On or before May 1, 2021, Interconnection Customer must demonstrate that all generating units have been delivered to Interconnection Customer's project site.¹⁰

Each of these dates was agreed to by the Parties by virtue of their execution of the Glidepath ISA.

Despite Glidepath's claims that its project is not speculative and is ready to move forward,¹¹ the project immediately went into suspension after the Glidepath ISA became effective on December 3, 2020, and exited suspension on October 3, 2023, using 1,034 days of the 1,095 days of suspension time permitted under the Tariff.¹² Because under the terms of the Glidepath ISA, "[t]he milestone dates stated in this ISA shall be deemed to be extended coextensively with any suspension of work initiated by Interconnection Customer,"¹³ the section 6.1 and section 6.2 milestones were extended to December 30,

⁹ The Glidepath ISA was filed with the Commission on December 31, 2020. *PJM Interconnection, L.L.C.*, Original ISA, SA No. 5863, Queue No. AE2-249, Docket No. ER21-780-000 (Dec. 31, 2020). The Glidepath ISA was accepted on February 23, 2021. *PJM Interconnection, L.L.C.*, Letter Order, Interconnection Service Agreement, Docket No. ER21-780-000 (Feb. 23, 2021). The Glidepath ICISA was entered into effective January 4, 2021.

¹⁰ Glidepath ISA, sections 6.1 & 6.2.

¹¹ Protest at 2, 4.

¹² Glidepath had 61 days of suspension time left after exiting suspension.

¹³ Glidepath ISA, section 6.5.

2023, and February 29, 2024. Figure 1 below shows the initial and revised sections 6.1 and 6.2 milestone dates as adjusted for the suspension time.

FIGURE 1

Milestone	Original ISA Date	Date Adjusted for Use of Suspension
Section 6.1, substantial site work completed	March 1, 2021	December 30, 2023
Section 6.2, delivery of major equipment	May 1, 2021	February 29, 2024

Glidepath failed to meet any of these revised milestones, instead requesting the sections 6.1 and 6.2 milestones be extended further until September 30, 2024, and February 28, 2025, respectively.¹⁴ While the Glidepath ISA allows PJM to “reasonably extend any such milestone dates, in the event of delays that Interconnection Customer (i) did not cause and (ii) could not have remedied through the exercise of due diligence,”¹⁵ PJM denied the requested extensions because Glidepath failed to show it met these criteria. A further explanation of PJM’s reasons for rejecting the requested milestone date extensions is provided in part III.B below.

As noted above, Glidepath failed to meet the adjusted milestones. On May 23, 2024, PJM provided Glidepath with a notice of breach letter stating that Glidepath needed to cure the identified milestone breaches within 30 days of the date of that letter or commence in good faith *all* steps that are reasonable and appropriate to cure the Breaches within such 30-day time period.¹⁶ Glidepath did not take sufficient steps to cure the

¹⁴ See Protest at 5.

¹⁵ Glidepath ISA, section 6.5.

¹⁶ See Notice of Breach of (1) Interconnection Service Agreement By and Among PJM Interconnection, L.L.C. And Glidepath Ventures, LLC And Mid-Atlantic Interstate Transmission, LLC, PJM Queue No. AE2-249, Service Agreement No. 5863; and (2) Interconnection Construction Service Agreement By and Among

Breaches or commence in good faith all steps that are reasonable and appropriate to cure the Breaches within the required time. The Notice of Breach Letter clearly stated that failure to take either of these steps “will result in termination of the ISA pursuant to ISA.”¹⁷ PJM in the Notice of Cancellation Filing requested termination of the Glidepath ISA effective June 22, 2024, the date the 30-day cure period expired.

III. GLIDEPATH FAILED TO CURE THE IDENTIFIED BREACHES OR TO TAKE “ALL STEPS THAT ARE REASONABLE AND APPROPRIATE” TO CURE THE BREACHES WITHIN THE REQUIRED 30-DAY PERIOD

A. There Was a Clear Breach and Default of the ISA Milestones.

Glidepath’s claims that there was no Default under the Glidepath ISA are wrong and should be rejected. First, it is clear that Glidepath Breached its contractual requirements to meet the section 6.1 and 6.2 milestones. The Glidepath ISA defines a Breach as “the failure of a party to perform or observe any material term or condition of Tariff, Part IV or Tariff, Part VI, or any agreement entered into thereunder as described in the relevant provisions of such agreement.”¹⁸ The Glidepath ISA also states a “Breach of this Interconnection Service Agreement shall include . . . [t]he failure to comply with any material term or condition of this Appendix 2 or of the other portions of the Interconnection Service Agreement.”¹⁹ A Default is defined under the Glidepath ISA as “the failure of a Breaching Party to cure its Breach in accordance with the applicable provisions of an Interconnection Service Agreement.”²⁰ The Glidepath ISA also states that an

PJM Interconnection, L.L.C. And Glidepath Ventures, LLC And Mid-Atlantic Interstate Transmission, LLC, PJM Queue No. AE2-249, Service Agreement No. 5864 (May 23, 2024) (“Notice of Breach Letter”). A copy of the Notice of Breach Letter is included as Exhibit B to the Protest.

¹⁷ Notice of Breach Letter at 1.

¹⁸ Glidepath ISA, Appendix 1, Definitions (definition of Breach).

¹⁹ *Id.* at Appendix 2, section 15.1.

²⁰ *Id.* at Appendix 1, Definitions (definition of Default).

“Interconnection Party that commits a Breach and does not take steps to cure the Breach pursuant to this Section 15.4 is in Default” of the ISA.²¹ Glidepath is in Breach and Default of these milestones.²² .

1. *Glidepath failed to cure the section 6.1 Breach and is in Default of that milestone.*

The deadline for complying with the section 6.1 substantial site work completed milestone was December 30, 2023, a deadline that has now long passed. Glidepath failed to cure this Breach by June 22, 2024, the end of the 30-day cure period in the Glidepath ISA²³ and set forth in the Notice of Breach Letter, or to “commence in good faith all steps that are reasonable and appropriate to cure the Breaches within such thirty day time period.”²⁴ Glidepath acknowledges that under the ISA, compliance with this milestone requires that it “demonstrate completion of at least 20% of project site construction” and provide to PJM and the Interconnected Transmission Owner “initial drawings, certified by a professional engineer, of the Customer Interconnection Facilities.”²⁵ However, Glidepath claims that it entered into an Engineering, Procurement, and Construction Agreement (“EPC Agreement”) and issued a Notice to Proceed (“NTP”), and points to the

²¹ *Id.* at Appendix 2, section 15.4.

²² As described further below, Glidepath is responsible for curing all Breaches under the Glidepath ISA. Curing one Breach but not the other is not sufficient.

²³ Glidepath ISA, Appendix 2, section 15.4.1 states “the Breaching Interconnection Party (a) may cure the Breach within thirty days from the receipt of such notice; or (b) if the Breach cannot be cured within thirty (30) days, may commence in good faith all steps that are reasonable and appropriate to cure the Breach within such thirty day time period and thereafter diligently pursue such action to completion.”

²⁴ *Id.* at Appendix 2, section 15.4.1.

²⁵ Protest at 10 (citing Glidepath ISA, section 6.1). PJM Manual 14C also compliance with the substantial site work completed milestone requires that the Interconnection Customer “demonstrate that 20% of site work is complete by the specified date” and that “Interconnection Customer must submit certified drawings of the Customer Interconnection Facilities to the Transmission Owner and PJM for their review.” *See PJM Manual 14C: Interconnection Facilities, and Network Upgrade Construction*, PJM Interconnection, L.L.C., section 1.1.1 (Rev. 16, July 26, 2023), <https://www.pjm.com/-/media/documents/manuals/m14c.ashx> (“Manual 14C”).

Commission’s *Welcome Solar* decision²⁶ as evidence that its project has satisfied the substantial site work completed milestone.²⁷ However, entering into an EPC Agreement and issuing an NTP is not the test of substantial site work *completion*.

While both Glidepath ISA and Manual 14C states what information must be provided to show compliance with this milestone,²⁸ Glidepath has not demonstrated compliance. Glidepath has not provided any evidence that it has completed any actual major construction activities, let alone completed at least 20% of project site construction. Nor has Glidepath provided “initial drawings, certified by a professional engineer, of the Customer Interconnection Facilities,”²⁹ or engaged in major site construction activities such as breaking ground, and Glidepath’s reliance on *Welcome Solar* is misplaced. *Welcome Solar* did not opine on what constitutes 20% substantial site work completed. PJM does not read *Welcome Solar* as excusing an Interconnection Customer from complying with the other requirements under the substantial site work completion milestone, and Glidepath is inappropriately construing dicta to excuse its failure to comply with this milestone.

Further, the *Welcome Solar* decision was very fact-specific and involves concerns that are not present here. In *Welcome Solar*, PJM had provided a Notice of Breach letter

²⁶ *PJM Interconnection, L.L.C.*, 187 FERC ¶ 61,118 (2024) (“*Welcome Solar*”).

²⁷ Protest at 10.

²⁸ As noted, Glidepath ISA, section 6.1 requires Glidepath to “demonstrate completion of at least 20% of project site construction” and “submit to Interconnected Transmission Owner and Transmission Provider initial drawings, certified by a professional engineer, of the Customer Interconnection Facilities.” Manual 14C contains similar language, and also states substantial site work consists of “[m]ajor site construction activities which are initiated with the site preparation and are typically considered complete with the end of civil construction activities.” Manual 14C, sections 1.1.1 & 2.2.6; *see also PJM Manual 14C: Generation and Transmission Interconnection Facility Construction*, PJM Interconnection, L.L.C., sections 1.1.1 and 2.2.6 (Rev. 15, March 22, 2023), <https://pjm.com/-/media/documents/manuals/archive/m14c/m14cv15-generation-and-transmission-interconnection-facility-construction-03-22-2023.ashx>.

²⁹ Glidepath ISA, section 6.1.

to the Interconnection Customer on February 8, 2023, and based on information provided to it by the Interconnection Customer in March 2023, concluded that the Breach had been cured.³⁰ PJM on November 27, 2023, later determined that Welcome Solar had not cured the Breaches and was not diligently pursuing action to cure the Breaches, and filed to terminate the ISAs.³¹ While the Commission found that PJM has not justified its burden of showing Welcome Solar had not cured its Breaches, that decision was based on the fact that PJM accepted Welcome Solar's representation that it had in fact cured its Breaches.³² This circumstance is not the case here—PJM has clearly informed Glidepath that Glidepath Breached its obligations under the Glidepath ISA, and PJM has not in any way indicated that Glidepath's Breach of the Glidepath ISA, section 6.1 has been cured.

Finally, the Commission's decision in *Welcome Solar* is without prejudice based on its determination that PJM had not met its burden of demonstrating the proposed cancellation was just and reasonable under Federal Power Act section 205,³³ with PJM remaining free to file another notice of cancellation that is better supported.³⁴

³⁰ *Welcome Solar* at P 27.

³¹ *Id.* at P 29; *see also PJM Interconnection, L.L.C.*, Motion to Answer and Answer of PJM Interconnection, L.L.C., Docket Nos. ER24-994-000, et al., at 11-13, 14-17 (Feb. 29, 2024) (indicating that while PJM initially believed based on information provided by Welcome Solar, that the identified Breaches had been cured, PJM later determined that this was not the case).

³² *Welcome Solar* at P 79 (stating the PJM's "argument would appear to contradict PJM's concession that the actions outlined in the March 2023 Cure Letters by Welcome Solar, including the Limited Notice to Proceed, were sufficient to meet this milestone" and that "it is unclear what actions in the March 2023 Cure Letters PJM believes have not been completed by Welcome Solar or why the actions Welcome Solar asserts it has taken to meet this milestone are insufficient").

³³ 16 U.S.C. § 824d.

³⁴ *Welcome Solar* at PP 3, 68 & ordering para. (A); *see also Id.* at concur op. (Commissioner Christie) PP 1 (stating "[b]ecause the order is explicitly 'without prejudice,' it does not prevent PJM from making a subsequent filing that better supports and explains the factual assertions it relies upon" (citation omitted)), and 6 (again indicating the order is without prejudice).

2. *Glidepath similarly failed to cure the section 6.2 Breach and is in Default of that milestone as well.*

The deadline for complying with the section 6.2 delivery of major equipment milestone was February 29, 2024. For a solar generating facility such as the Glidepath, the process includes items such as the solar modules, inverters, and other major electrical equipment such as main power transformers, breakers, control buildings, photovoltaic panels, and tracking equipment.³⁵ This milestone required that Glidepath, by that date, “demonstrate that all generating units have been delivered to Interconnection Customer’s project site.”³⁶ While Glidepath has acquired the modules, it only recently ordered the necessary inverters and transformers on May 25, 2024, with a scheduled delivery date of February 28, 2025.³⁷

As is the case with the section 6.1 milestone, it is clear that Glidepath failed to satisfy the section 6.2 milestone or cure this Breach during the cure period allowed under the Glidepath ISA. Glidepath claims its failure to meet this deadline is due to “global supply chain shortages,” and indicates that it has made the necessary good faith effort to cure this Breach.³⁸ However, waiting until May 25, 2024 (when the milestone deadline was February 29, 2024) to order the inverters and transformers does not qualify as making a good faith or diligent effort to cure this Breach. As Glidepath points out in its protest, delays in the delivery of electrical equipment were a known concern,³⁹ and Glidepath does not justify its failure to order this equipment at the beginning of October 2023, when

³⁵ See Manual 14C, section 1.1.1.

³⁶ Glidepath ISA, section 6.2.

³⁷ Protest at 10-11.

³⁸ *Id.* at 2, 4-6.

³⁹ *Id.* at 2 n.5 (listing reports and other information describing global supply issues).

it exited suspension or even at an earlier date.⁴⁰ Instead, Glidepath chose to wait until 86 days after the milestone date to even put in the order for this equipment. In its April 24, 2024 e-mail from Barry Skoultchi, Madison Energy, to Louis Culp, PJM, Mr. Skoultchi states:

We could not procure or issue Purchase Orders for project equipment until we felt certain that all State, County and Township plans were going to approved [sic] and agreements executed. This is relevant because equipment such as invertors and transformers are subject to extensive supply chain delays. In fact, this equipment is subject to supply chain delays of 50 weeks or more.⁴¹

Thus, Glidepath has *specifically admitted* that it waited to order the necessary equipment for months because of permitting concerns, and that it knew the delivery of the equipment would like be significantly delayed. While Glidepath may have chosen to do this to mitigate what it saw as a permitting risk, this decision to defer ordering the equipment is one that was within its control and does not excuse its failure to comply with the section 6.2 milestone.⁴²⁴³

Finally, these milestones are contractual obligations that Glidepath willingly agreed to and failed to achieve. Manual 14C states “[p]roject milestones are defined in section 6

⁴⁰ Glidepath did not present evidence that it acquired the modules until June 24, 2024, after the cure period expired. See Protest at Exhibit A-7. While Glidepath did provide the purchase order for the inverters and transformers on June 5, 2024, see *Id.* at Exhibit A-5, this still does not excuse Glidepath’s decision to wait until May 25, 2025, months after the February 29, 2024 milestone date, to place the orders for this equipment.

⁴¹ *Id.* at Exhibit A-3 (emphasis added) (E-mail from Barry Skoultchi, Madison Energy Infrastructure, to Louis Culp, PJM Interconnection, L.L.C. (April 24, 2024, 3:54 PM)).

⁴² Additionally, PJM’s Tariff requires an Interconnection Customer to demonstrate “within 60 days after receipt of the Facilities Study (or, if no Facilities Study was required, after receipt of the System Impact Study) . . . [that it has] obtained any necessary local, county, and state site permits.” Tariff, Part VI, Subpart B, section 212.5. Glidepath has failed to comply with this Tariff requirement.

⁴³ Finally, Glidepath must cure and avoid Default on both sets of Breaches-curing just one is not enough. For example, if the Commission determines that Glidepath is not in Breach of the section 6.1 milestone, but has failed to the cure the section 6.2 Breach, Glidepath will still be in Default of the Glidepath ISA and termination of the ISA will be the appropriate remedy. See Glidepath ISA, Appendix 1, Definitions (definition of Default) & Appendix 2, section 16.1.2. The above example is intended as a hypothetical, and not as a concession that Glidepath has cured its Breach of any section of the ISA.

of the ISA. Milestones provide critical project measuring points and help communicate to team members the timeframe and scope of high level project goals.”⁴⁴ Glidepath did not request an extension prior to expiration of the milestones nor did they submit a prospective waiver with the Commission to alleviate the requirement.

B. PJM Properly Determined that Glidepath Was Not Entitled to Any Milestone Extension, and Glidepath’s Call to Require PJM to Develop Additional Extensions Should Be Rejected.

Glidepath in its protest includes e-mail(s) indicating that it had sought milestone extensions and requests that the Commission order “PJM to coordinate with Glidepath regarding ongoing development work to establish reasonable revised milestone dates for the ISA.”⁴⁵

PJM reviewed and properly rejected Glidepath’s request for milestone extensions. Under the terms of the Glidepath ISA, PJM “may reasonably extend any such milestone dates, in the event of delays that Interconnection Customer (i) did not cause and (ii) could not have remedied through the exercise of due diligence.”⁴⁶ An Interconnection Customer seeking an extension must demonstrate that it has complied with both of these requirements, and as the Commission, specifically recognized in *Welcome Solar*, “PJM has discretion in whether to extend milestones.”⁴⁷

⁴⁴ Manual 14C, section 1.1.1.

⁴⁵ Protest at 14 & Exhibit A.

⁴⁶ Glidepath ISA, section 6.5.

⁴⁷ *Welcome Solar* at P 82 (citing *PJM Interconnection, L.L.C.*, 178 FERC ¶ 61,089, at P 43 (finding that PJM reasonably exercised its discretion when project was “too thin, aspirational, and speculative” and “require[ed] a new dedicated natural gas pipeline covering some 80 miles across several Virginia counties and impacting hundreds of landowners”); *PJM Interconnection, L.L.C.*, 170 FERC ¶ 61,087, at P 33 (finding that PJM reasonably exercised its discretion in declining to extend milestones where project’s inability to obtain financing was the result of the facility’s action (or inaction) alone))).

With respect to the section 6.1 milestone extension request, PJM reviewed this request but determined it did not meet this criteria. Glidepath originally signed the ISA on September 7, 2020. Under the terms of the ISA, Glidepath was required to achieve substantial site work completion by March 1, 2021 (approximately five months after signing the ISA), and its willingness to sign the ISA with the agreed-upon milestone dates signaled to PJM Glidepath's preparedness to achieve this milestone. However, after the ISA was signed by PJM, Glidepath requested to enter suspension. The project remained in suspension for 1,034 days, exiting suspension on October 3, 2023.

At the time the project exited suspension, PJM coextensively adjusted all milestone dates to reflect the time in suspension. Upon request for information on progress towards this milestone, Glidepath did not provide evidence of anything outside of their control which prevented them from fulfilling this milestone through the exercise of due diligence. The Glidepath ISA and Manual 14C required Glidepath to demonstrate completion of at least 20% of project site construction, to provide certified initial drawings and to have initiated major construction activities.⁴⁸ Glidepath failed to meet these criteria as the December 30, 2023 milestone date, and entering into an EPC Agreement five months after this deadline, especially without doing more, is insufficient to demonstrate compliance with this requirement.⁴⁹ Glidepath could have met this milestone on a timely basis through the exercise of due diligence. Instead, it elected to defer the work necessary to achieve this

⁴⁸ See *supra* n.25.

⁴⁹ To be clear, entering to an EPC Agreement and issuing an NTP by themselves are insufficient to demonstrate compliance with section 6.1 milestone requirements. See Manual 14C, section 1.1.1. However, even in addition to this fact, nothing excuses Glidepath's decisions to wait five months to even take these steps.

milestone. PJM did not find it reasonable to provide further milestone extensions above and beyond what the “coextensive” period allows.

PJM similarly reviewed and rejected the section 6.2 delivery of major electrical equipment milestone extension request. Considering the time allowed for suspension, PJM expected the delivery of the equipment to be made on February 29, 2024. However, Glidepath did not even submit the purchase order for the required inverters transformers until May 25, 2024, with a scheduled delivery date of February 28, 2025. This means Glidepath waited until 86 days after the milestone expired to even put in the order for the required equipment. PJM reviewed the information provided and did not find anything outside of Glidepath’s control which prevented them from achieving this milestone by February 29, 2024; instead Glidepath indicated it deliberately chose NOT to meet this milestone until it received the permits for the project. This is not due diligence and is clearly a problem of Glidepath’s own making.⁵⁰

C. Allowing Glidepath to Continually Delay Its Project Will Adversely Affect Other Projects

As a project with an executed ISA that has not yet gone into service, the Queue No. AE2-249 Interconnection Request takes up valuable space in PJM’s interconnection queue and headroom on the PJM Transmission System that would otherwise be available to lower queued Interconnection Requests.⁵¹ Allowing it to extend its milestones above and beyond

⁵⁰ As explained above, Glidepath opted to delay ordering the major electrical equipment because of permitting concerns. However, this is a choice Glidepath opted to make, and does not qualify as an event it “(i) did not cause and (ii) could not have remedied through the exercise of due diligence.” Glidepath ISA, section 6.5. Additionally, Tariff, Part VI, Subpart B, section 212.5, requires an Interconnection Customer to demonstrate “within 60 days after receipt of the Facilities Study (or, if no Facilities Study was required, after receipt of the System Impact Study . . . [that it has] obtained any necessary local, county, and state site permits.” Glidepath has failed to comply with this Tariff requirement.

⁵¹ Amoling Aff. ¶ 4.

the “co-extensive” period allowed under the Glidepath ISA will have an impact on PJM study cases and Regional Transmission Expansion Plan (“RTEP”) models,⁵² as well as on other interconnection and transmission service requests under study within PJM.⁵³ Therefore, it is essential that milestone extensions be limited to “delays that Interconnection Customer (i) did not cause and (ii) could not have remedied through the exercise of due diligence,”⁵⁴ and not be granted to a developer that fails to meet this criteria.⁵⁵

PJM recently reviewed 13 flowgates that the Queue No. AE2-249 project loads into. PJM determined that multiple projects in PJM’s ongoing Transition Cycle #1 are impacted due to the MW contribution of Queue No. AE2-249 and are assigned upgrades based on the presumption that the Queue No. AE2-249 project will be constructed in accordance with its existing milestones.⁵⁶ Failure to advance the project in accordance with the ISA milestones places an unfair burden on these downstream projects who may be responsible for overloads that would not be required but for the Queue No. AE2-249 Interconnection Request’s impacts to the PJM system.⁵⁷ These burdens may include having to pay for such upgrades and having to sustain the delays associated with construction of these upgrade. Simply put, Glidepath failed to meet the milestone

⁵² PJM’s RTEP identifies transmission system additions and improvements needed to keep electricity flowing to the millions of people throughout PJM’s region.

⁵³ Amoling Aff. ¶ 4.

⁵⁴ See Glidepath ISA, section 6.5.

⁵⁵ Amoling Aff. ¶ 4.

⁵⁶ *Id.* ¶ 5.

⁵⁷ *Id.*

obligations under its ISA to advance its project, and has placed undue harm on other projects desiring to connect to the PJM system.⁵⁸

Additionally, Queue No. AE2-249 has been placed into the RTEP base case since the Glidepath ISA was signed.⁵⁹ Doing so causes MW contributions to the base case. PJM then runs annual RTEP studies to determine any baseline upgrades that might be required to mitigate constraints on the system.⁶⁰ The failure of the Glidepath project to advance as required by the ISA milestone requirements has caused PJM to study and make recommendations for baseline upgrades that may or may not be required by the particular reference year for the RTEP base case.⁶¹ PJM develops the annual RTEP models assuming the project comes online as written into the agreement.⁶² Failure to advance per the milestones causes incorrect modeling assumptions and places additional burden on other projects that may require system reinforcements. Exhibit I to Mr. Amoling's affidavit shows the analytical impact as it relates to the interconnection studies completed to date.

D. The Notice of Cancellation Was Properly Filed

Glidepath alleges that the Notice of Cancellation was not properly filed and thus there is no Default under the Glidepath ISA.⁶³ This assertion is incorrect, and thus fails to excuse the fact Glidepath is in Breach and Default of the Glidepath ISA.

⁵⁸ *Id.*

⁵⁹ *Id.*f. ¶ 6.

⁶⁰ *Id.*

⁶¹ *Id.*

⁶² *Id.*

⁶³ Protest at 6-9.

First, Glidepath asserts PJM failed to provide it with “prior written notice of termination.”⁶⁴ However, the Notice of Breach Letter clearly stated that failure to cure the Breaches “will result in termination of the ISA pursuant to ISA, Appendix 2, sections 15.4 and 16.1.3” and that “[t]ermination of the ISA will also result in the termination of the Interconnection Construction Service Agreement among the same parties referenced above.”⁶⁵ There is nothing in the Glidepath ISA or in the PJM Tariff that requires a duplicative notice of termination to be provided when the Interconnection Customer has been warned of the impact of failing to cure a Breach. Glidepath also claims that there is no Breach because it is still in its cure period.⁶⁶ This statement is false—as explained above, the cure period ended June 22, 2024.⁶⁷ Glidepath in that period failed to show that it cured any of its Breaches or had commenced in good faith *all* steps that are reasonable and appropriate to cure the Breaches within such 30-day time period. And while Glidepath claims PJM did not provide it with the appropriate cure period,⁶⁸ it is clear that PJM provided Glidepath with the requisite 30-day period.⁶⁹ The fact Glidepath failed to cure its Breaches does not mean it was not given the required amount of time.

⁶⁴ *Id.* at 7 (citing Glidepath ISA, Appendix 2, section 16.1.3).

⁶⁵ Notice of Breach Letter at 1.

⁶⁶ Protest at 8.

⁶⁷ While Glidepath provided certain information to PJM intended to show it was making efforts to the substantial site work completed and delivery of major electrical equipment milestones, Protest at 12, this information was not provided until June 24, 2024, after the 30-day cure period had ended. The timing of when this information was provided was up to Glidepath, which fails to explain why this information was not provided earlier. Glidepath also indicates it provided certain information on May 28, 2024, and May 29, 2024, Protest at 11-12, but this seems to focus more on Glidepath’s request for milestone extensions, and did not demonstrate compliance with either of the milestones. *See* Protest at Exhibits A-1 & A-2.

⁶⁸ *Id.* at 9.

⁶⁹ *See* Glidepath ISA, Appendix 2, section 15.4.1 (establishing 30-day cure period).

IV. CONCLUSION

For the reasons stated above and in the Notice of Cancellation Filing, the Commission should accept PJM's this of cancellation filing and terminate the Glidepath ISA effective June 22, 2024, due to the Glidepath's failure to cure its Breaches of the Glidepath ISA, and should reject the relief sought in Glidepath's protest.

Respectfully submitted,

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

Attachment 1

Affidavit of Leo A. Amoling on Behalf of PJM Interconnection, L.L.C.

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

PJM Interconnection, L.L.C.)

Docket No. ER24-2401-000

**AFFIDAVIT OF LEO A. AMOLING
ON BEHALF OF PJM INTERCONNECTION, L.L.C.**

1. My name is Leo A. Amoling. I am a Senior Engineer in the Interconnection Planning Analysis department at PJM Interconnection, L.L.C. (“PJM”) and have been in that position since October 2021. My duties and responsibilities include performing power system steady state thermal and voltage analysis for interconnection studies as part of the PJM interconnection study process from the intake of new service request applications to commercial operation. The purpose of my affidavit is to support PJM’s answer to protest filed by Glidepath Ventures, LLC (“Glidepath”) and Astor I, LLC¹ in response to PJM’s June 28, 2024 filing to cancel the Interconnection Service Agreement (“ISA”) entered into among PJM, Glidepath, and Mid-Atlantic Interstate Transmission, LLC. (“MAIT”) (“Glidepath ISA”)

2. I graduated from Embry-Riddle Aeronautical University with a Bachelor of Science Degree in Aerospace Engineering in 2007, and served in U.S. Army from June 2007 to January 2015, achieving the rank of captain. Prior to becoming a senior engineer at PJM, I was an engineer at PPL Electric Utilities serving in various roles within system planning and field operations, and also worked at Textron Systems, where I performed reliability and logistics engineering functions. PJM, as a Regional Transmission Organization, ensures the reliability of the high-voltage electric power system serving 65 million people

¹ *PJM Interconnection, L.L.C.*, Protest of Glidepath Ventures, LLC and Astor I, LLC, Docket No. ER24-2401-000 (July 17, 2024) (“Protest”).

in all or parts of 13 states and the District of Columbia. PJM coordinates and directs the operation of the region's transmission grid, which includes 88,115 miles of transmission lines, administers a competitive wholesale electricity market, and plans regional transmission expansion improvements to maintain grid reliability and relieve congestion. PJM's regional grid and market operations produce annual savings of \$3.2 billion to \$4 billion. PJM, under the terms of its Tariff, has the responsibility for planning the expansion and enhancement of the PJM Transmission System on a regional basis.

3. The Glidepath ISA is associated with PJM Queue No. AE2-249 and is intended to interconnect the BE-ASTOR Customer facility, a 16.6 megawatt ("MW") solar generating facility to the PJM Transmission System. My understanding is that the Glidepath ISA went into suspension immediately after the ISA was executed, and remained in suspension for 1,034 days, or almost three full years. My further understanding is that because section 6.5 of the Glidepath ISA allows for the milestone dates to be "extended coextensively with any suspension of work initiated by Interconnection Customer," the Glidepath ISA is subject to the following milestone dates: (a) section 6.1, substantial site work completed, due December 30, 2023; and (b) section 6.2, delivery of major equipment, due February 29, 2024, both after adjustment for suspension.
4. As a project with an executed ISA that has not yet gone into service, the Queue No. AE2-249 Interconnection Request takes up valuable space in PJM's interconnection queue and headroom on the PJM Transmission System that would otherwise be available to lower queued Interconnection Requests. Allowing it to extend its milestones above and beyond the "co-extensive" period allowed under the Glidepath ISA will have an impact on PJM

study cases and Regional Transmission Expansion Plan (“RTEP”) models,² as well as on other interconnection and transmission service requests under study within PJM. Therefore, it is essential that milestone extensions be limited to “delays that Interconnection Customer (i) did not cause and (ii) could not have remedied through the exercise of due diligence,”³ and not be granted to a developer that fails to meet this criteria.

5. PJM recently reviewed 13 flowgates that the Queue No. AE2-249 project loads into. PJM determined that multiple projects in PJM’s ongoing Transition Cycle #1 are impacted due to the MW contribution of Queue No. AE2-249 and are assigned upgrades based on the presumption that the Queue No. AE2-249 project will be constructed in accordance with its existing milestones. Failure to advance the project in accordance with the ISA milestones places an unfair burden on these downstream projects who may be responsible for overloads that would not be required but for the Queue No. AE2-249 Interconnection Request’s impacts to the PJM system. These burdens may include having to pay for such upgrades and having to sustain the delays associated with construction of these upgrades. Simply put, Glidepath failed to meet the milestone obligations under its ISA to advance its project, and has placed undue harm on other projects desiring to connect to the PJM system.
6. Additionally, Queue No. AE2-249 has been placed into the RTEP base case since the Glidepath ISA was signed. Doing so causes MW contributions to the base case. PJM then runs annual RTEP studies to determine any baseline upgrades that might be required to mitigate constraints on the system. The failure of the Glidepath project to advance as required by the ISA milestone requirements has caused PJM to study and make

² PJM’s RTEP identifies transmission system additions and improvements needed to keep electricity flowing to the millions of people throughout PJM’s region.

³ See Glidepath ISA, section 6.5.

recommendations for baseline upgrades that may or may not be required by the particular reference year for the RTEP base case. PJM develops the annual RTEP models assuming the project comes online as written into the agreement. Failure to advance per the milestones causes incorrect modeling assumptions and places additional burden on other projects that may require system reinforcements. Exhibit I to my affidavit shows the analytical impact as it relates to the interconnection studies completed to date.

7. This concludes my affidavit.

EXHIBIT I

Impacts of Queue No. AE2-249

- Queue No. AE2-249 is actively using transmission system headroom on numerous bulk electric system (“BES”) facilities with impacts up to 5 MW in the Summer Peak Generator Deliverability Test (Facilities in the FirstEnergy Zone)
- Many of the BES facility overloads that AE2-249 loads into are primarily impacting Transition Cycle #1, which requires significant transmission upgrades to mitigate
- BES Facility Impacts
 - Armstrong 345/138kV #2 transformer
 - AE2-249 loads 0.5 MW into an overloaded flowgate for a single contingency during the Transition Cycle #1 studies
 - Transition Cycle #1 projects currently require upgrade Transition Cycle #1-PH1-062 to replace the transformer, which is estimated to cost ~\$11.5 million
 - Blairsville East-Social 138kV line
 - AE2-249 loads up to 1.5 MW into an overloaded flowgate for a single contingency during the Transition Cycle #1 studies
 - Transition Cycle #1 projects currently require upgrade Transition Cycle #1-PH1-066 to reconductor the line, which is estimated to cost ~\$7.9 million
 - Homer City-Shelocta 230kV line
 - AE2-249 loads up to 5 MW into overloaded flowgates for single and breaker contingences across the studies for projects in the AF1, AF2, AG1 queue windows, and Transition Cycle #1
 - Transition Cycle #1 projects currently require upgrades n8112, n8112.1, n8112.2, n8112.3 estimated to cost ~\$64.6 million
 - Keystone-Shelocta 230kV line
 - AE2-249 loads up to 5 MW into overloaded flowgates for single and breaker contingencies across the studies for projects in the AF1, AF2, AG1 queue windows, and Transition Cycle #1
 - Transition Cycle #1 projects currently require upgrades n8192, n8192.1 – n8192.6 estimated to cost ~\$27.5 million

- Lewistown-Juniata 230kV line
 - AE2-249 loads up to 1.5 MW into overloaded flowgates for breaker contingencies during the Transition Cycle #1 studies
 - Transition Cycle #1 projects currently require upgrades n6818 and n6817.1 estimated to cost ~\$130.6 million
- Keystone #4 500/230kV transformer
 - AE2-249 loads up to 3 MW into overloaded flowgates for breaker contingencies during the Transition Cycle #1 studies
 - Transition Cycle #1 projects currently require upgrade n8281 to replace the transformer at an estimated cost of ~\$41.6 million
- Conemaugh 500/230kV #3 transformer & Seward-Conemaugh 230kV line
 - AE2-249 loads up to 5 MW into overloaded flowgates for breaker contingencies during the Transition Cycle #1 studies
 - Transition Cycle #1 projects currently require upgrade n8328 to convert/reconfigure the Shelocta substation, which is estimated to cost ~\$16.5 million

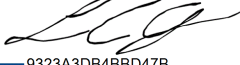
**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

PJM Interconnection, L.L.C.)

Docket No. ER24-2401-000

VERIFICATION

I, Leo A. Amoling, pursuant to 28 U.S.C. § 1746, state, under penalty of perjury, that I am the Leo A. Amoling referred to in the foregoing “Affidavit of Leo A. Amoling 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:

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Leo A. Amoling

Executed on: 8/1/2024

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 1st day of August 2024.

/s/ David S. Berman

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