3502 FREMONT AVENUE N, #1 SEATTLE, WASHINGTON 98103

> Stan Berman Direct Dial (206) 279-3193 stan@btlawllp.com

December 20, 2024

#### Via eTariff Filing

Debbie-Anne Reese Secretary Federal Energy Regulatory Commission 888 First Street, NE Washington, DC 20426

#### Re: Response to November 22, 2024 Deficiency Letter

Atlantic City Electric Company, Docket No. ER24-2888-001 Baltimore Gas and Electric Company, Docket No. ER24-2889-001 Commonwealth Edison Company, Docket No. ER24-2890-001 Delmarva Power & Light Company, Docket No. ER24-2891-001 Potomac Electric Power Company, Docket No. ER24-2893-001 PECO Energy Company, Docket No. ER24-2894-001

Dear Secretary Reese:

Atlantic City Electric Company ("ACE"), Baltimore Gas and Electric Company ("BGE"), Commonwealth Edison Company ("ComEd"), Delmarva Power & Light Company ("DPL), Potomac Electric Power Company ("Pepco"), and PECO Energy Company ("PECO"), collectively ("Exelon Utilities") submit<sup>1</sup> for filing this Response to the Deficiency Letter received on November 22, 2024, as well as revised tariff sheets. As discussed further below, the Exelon Utilities request an effective date of February 24, 2025. If the request for the February 24, 2025 effective date is rejected, then the Exelon Utilities request the earliest possible effective date.

<sup>&</sup>lt;sup>1</sup> Pursuant to Order No. 714, this filing is submitted by PJM on behalf of the Exelon Utilities as part of an XML filing package that conforms with the Commission's regulations. PJM has agreed to make all filings on behalf of the PJM Transmission Owners in order to retain administrative control over the PJM Tariff. Thus, the Exelon Utilities has requested PJM submit this filing in the eTariff system as part of PJM's electronic Intra PJM Tariff.

Debbie-Anne Reese December 20, 2024 Docket No. ER24-2888 et al. Page 2

This transmittal is being submitted in each of the above captioned non-consolidated dockets for each of the Exelon Utilities. While the identical transmittal is being submitted in each docket, the attachments submitted in eTariff in each separate docket are specific to the relevant Exelon Utility for that docket (*e.g.* the attachments in Docket No. ER24-2888 relate to ACE, and so on).

### I. BACKGROUND

On August 28, 2024, pursuant to Section 205 of the Federal Power Act,<sup>2</sup> the Exelon Utilities each submitted to the Federal Energy Regulatory Commission's ("FERC" or "Commission") amendments to their respective Attachments H to the PJM Open Access Tariff. The Exelon Utilities proposed effective dates of December 2, 2024, for the tariff revisions. Protests were originally due September 18, 2024, but, by notice, the Commission extended the due date for protests to the filings to October 2, 2024.

The purpose of the amendments was to respond to recent service requests to the Exelon Utilities to enable the interconnection of "Co-Located Load" at the sites of nuclear facilities in the Exelon Utilities' zones in PJM, without designating the Network Customer that would be supplying those end use loads.<sup>3</sup> The amendments were intended to clarify that transmission customers serving Co-Located Load in the PJM zones of the Exelon Utilities would be required to sign up for Network Transmission Service to serve that load and will be subject to the same transmission and other charges that would be applicable if the same load had located at other points on the PJM grid. Alternatively, such transmission Service, again subject to the same transmission and other charges that would be applicable if the same load had located at other points on the PJM grid.

Despite these standard and well-established categories, the proponents of certain requests for service to Co-Located Load appear to seek to evade payment of transmission charges and fees for transmission-related services (which would ordinarily be the responsibility of the Network Customer) and to evade dealing with distribution tariffs and regulations and retail charges. To be clear, avoided recognition as network load is not necessary for Co-

<sup>&</sup>lt;sup>2</sup> 16 U.S.C. § 824d (2021).

<sup>&</sup>lt;sup>3</sup> See, e.g., Petition for Declaratory Order filed by Baltimore Gas & Electric Company and PECO Energy Company, Docket No. EL24-149-000, filed September 30, 2024; *Constellation Energy Generation LLC v. PJM Interconnection LLC*, Docket No. EL25-20-000, filed November 22, 2024.

Debbie-Anne Reese December 20, 2024 Docket No. ER24-2888 et al. Page 3

Located Load—which is always entitled to take service under the traditional Network Customer model—to function or to interconnect with or be served by the transmission system. Instead, it reflects a *choice* that is simply an attempt to evade ordinary, tariff charges for grid usage, and state regulation of the end-use customer.

The PJM Tariff does not provide for such arrangements in which transmission service is provided directly to the end user, with no network customer between the transmission provider and the end user. Indeed, the PJM Tariff generally prohibits requests for service directly to end users.<sup>4</sup> Disputes about how to proceed have led to delays that are in nobody's interest.

It was to clarify the path to serving these Co-Located Loads within the Exelon Utilities zones that the Exelon Utilities submitted their tariff filings. We note that loads within PJM are generally served through Network Transmission Service. Point-to-Point Transmission service is also available but is generally used to traverse or exit the PJM grid, rather than to serve load within PJM. In theory though, in some situations, it might be possible to serve loads with Point-to-Point Transmission Service—so a Point-to-Point alternative was included in the proposed amendments—but in the ordinary course we would expect the Network Transmission Service option to be the appropriate choice.

In the ensuing weeks after the filing, various stakeholders contacted the Exelon Utilities, concerned that the proposed amendments might be overbroad and would sweep in other types of service arrangements that the Exelon Utilities had not intended to be captured by the proposed amendments. Similar comments were included in a protest submitted by the Natural Resources Defense Council ("NRDC") which complained that the proposed amendments might impact Qualifying Facilities ("QFs") served under the Public Utility Regulatory Policies Act of 1978 ("PURPA").<sup>5</sup> On September 27, 2024, the Exelon Utilities submitted a Motion for Leave to Answer and Answer to NRDC, proposing small modifications to the originally-filed language in order to eliminate the perceived overbreadth of the amendments. Specifically, the Exelon Utilities proposed that the Attachment Hs would be amended to read as follows:

For avoidance of doubt and to ensure compliance with the definition of "Network Load," all load in the [Exelon Utility]

<sup>&</sup>lt;sup>4</sup> See, e.g., definition of "Eligible Customer." See also FPA Section 212(h) prohibiting the Commission from compelling retail wheeling.

<sup>&</sup>lt;sup>5</sup> Pub. L. 95-617, 92 Stat. 3117 (1978). Pertinent provisions are codified at 16 U.S.C. § 824a-3.

Debbie-Anne Reese December 20, 2024 Docket No. ER24-2888 et al. Page 4

> Zone that is electrically connected and synchronized when consuming power, regardless of the location of the physical interconnection to [Exelon Utility]Transmission Facilities or whether that connection also uses facilities owned by a third party, shall either (a) be designated as Network Load by a Network Customer under Tariff, Part III, and subject to all associated charges and services; or (b) where an Eligible Customer has elected not to designate a particular load at a discrete point of delivery as Network Load, the Eligible Customer is responsible for making separate arrangements under Tariff, Part II for Point-To-Point Transmission Service for such non-designated load. For further avoidance of doubt, the Network Customer Facilities required by Section 29.4 includes metering measuring the gross load of the Network Customer consistent with the Tariff and any state retail access program. Nothing in this paragraph alters the transmission revenue requirement for Network Integration Transmission service or the treatment of Behind the Meter Generation under the Tariff or the treatment of Qualifying Facilities under the Tariff or the Public Utility Regulatory Policies Act of 1978 nor preempts any otherwise lawful state jurisdictional rate, incentive, subsidy, or other similar provision for the benefit of load, including, but not limited to, retail net metering arrangements.<sup>6</sup>

The Exelon Utilities' proposed language, with the September 27, 2024 modifications, clarify the treatment of Co-Located Load to allow the requests to go forward efficiently. At the same time, the proposed language ensures that the proposed tariff modifications do not alter, and are not read as attempting to alter, the rights or obligations of any transmission customer under netting arrangements that are currently in place under the PJM OATT or other applicable law. To be clear, the Exelon Utilities' proposed tariff revisions would not impact the netting of load and generation, to the extent other provisions of federal and state law and the PJM OATT currently provide for such netting. The Exelon Utilities previously offered to accept this modified language if directed by

<sup>&</sup>lt;sup>6</sup> The underlining and strikeout reflect the September 27, 2024 modifications to the text proposed in the August 28, 2024 filings under FPA Section 205. In the specific filings of each Exelon Utility, the language would refer to the appropriate filing utility in place of "[Exelon Utility]".

Debbie-Anne Reese December 20, 2024 Docket No. ER24-2888 et al. Page 5

the Commission. For further avoidance of doubt, the Exelon Utilities' have modified the proposal and now offer this language under Section 205, as part of this deficiency response, to make explicit the lack of impact on other netting arrangements under state and federal law.

#### **II. RESPONSES TO SPECIFIC DEFICIENCY LETTER QUESTIONS**

#### **STAFF REQUEST 1**

Consolidated Transmission Owners Agreement (CTOA) section 7 sets forth the FPA section 205 filing rights reserved to individual transmission owners. Those rights encompass three major categories: (1) the "establish[ment] or change [in] the transmission revenue requirement for services provided under the PJM Tariff with respect to its Transmission Facilities";<sup>7</sup> (2) a "change [in] rates and charges for transmission and ancillary services ... for delivery within its Zone";<sup>8</sup> and (3) "[c]onsistent with [CTOA] section 7.3.1, the following provisions of the PJM Tariff [applicable to the individual transmission owner]... Attachment H (other than Attachment H-A)."<sup>9</sup> Exelon Companies acknowledge that their filings do not change "revenue requirements," "rates or rate design," or "overall collections for transmission service."<sup>10</sup>

If the filings do not change "revenue requirements," "rates or rate design," or "overall collections for transmission service," please explain how the filings fit within the categories over which

<sup>9</sup> *Id.* 7.3.5, TOA-42 7.3.5 (2.0.0).

<sup>&</sup>lt;sup>7</sup> PJM, Rate Scheds., 7.1.1, TOA-42 7.1.1 (0.0.0).

<sup>&</sup>lt;sup>8</sup> Id. 7.1.3, TOA-42 7.1.3 (0.0.0).

<sup>&</sup>lt;sup>10</sup> Transmittal at 6, 8; *see* Exelon Companies Nov. 4 Answer at 29 ("Here, no rate components are affected by the proposed tariff modification *at all*, nor are *any* components of the formula rates integral to the proposed amendments.") (emphasis in original).

Debbie-Anne Reese December 20, 2024 Docket No. ER24-2888 et al. Page 6

individual transmission owners retain FPA section 205 filing rights with respect to the OATT.

### **RESPONSE TO STAFF REQUEST 1**

As noted in the question, the PJM Consolidated Transmission Owners Agreement ("CTOA")<sup>11</sup> expressly gives transmission owning utilities the right to make amendments to their applicable Attachments H to the PJM Tariff. <sup>12</sup> Specifically, Section 7.3.5 provides:

Consistent with Section 7.3.1, the following provisions of the PJM Tariff and any successors thereto shall be within the exclusive and unilateral rights to make Section 205 filings of the individual Transmission Owner to which the provisions apply ... Attachment H.<sup>13</sup>

Amending Attachment H is exactly what the Exelon Utilities have pursued via these Section 205 filings. The reference to Section 7.3.1 is significant because 7.3.1 provides:

The Transmission Owners shall have the exclusive and unilateral rights to file pursuant to Section 205 of the Federal Power Act and the FERC's rules and regulations thereunder for any changes in or relating to *the establishment and recovery of the Transmission Owners' transmission revenue requirements*<sup>14</sup>

As the italicized text of Section 7.3.1 (which is referred to in Section 7.3.5) provides, the Transmission Owner's filing rights extend both to "the establishment" of revenue requirements and to "recovery" of revenue requirements. The proposed amendments

<sup>13</sup> CTOA, § 7.3.5.

<sup>14</sup> CTOA § 7.3.1 (emphasis added).

<sup>&</sup>lt;sup>11</sup> PJM, Consolidated Transmission Owners Agreement, Rate Schedule FERC No. 42.

<sup>&</sup>lt;sup>12</sup> The filing rights for transmission owners are addressed in Section 7 of the CTOA, but they are also addressed in the PJM OATT itself at Section 9.1. The provisions are largely identical (albeit with different numbering). For convenience, we will refer to the CTOA, but the same rights are spelled out in the OATT.

Debbie-Anne Reese December 20, 2024 Docket No. ER24-2888 et al. Page 7

here do not in any way alter the revenue requirements of the Exelon Utilities, but they do specify from whom the revenue requirement is "recover[ed]" by clarifying that Co-Located Load is required to sign up with a Network Customer and be served with Network Transmission Service (or be served via Point-to-Point). Because the Exelon Utilities are expressly and solely authorized to submit modifications under FPA Section 205 to Attachment H, addressing "recovery" of their revenue requirements, the filings are within the authority of the Exelon Utilities.

Notably, the CTOA also has a savings provision, relating to the filing rights of the individual transmission owners. That is, Section 7.3.6 provides:

The listing of provisions in Sections 7.3.4 and 7.3.5 above is not exclusive, and failure to specify a provision of the PJM Tariff in this Section 7.3 shall not be deemed to be an admission or agreement by the Transmission Owners that such provision or any change thereto does not relate to the establishment and recovery of the Transmission Owners' transmission revenue requirements or the PJM Regional Rate Design or Joint Transmission Rates, or encompass any provisions of the PJM Tariff governing the recovery of transmission-related costs incurred by the Transmission Owners. The Transmission Owners reserve their rights to assert that other provisions of the PJM OATT should be included within their Section 205 rights, and PJM reserves its rights to contest such assertions.<sup>15</sup>

The reservation of filing rights in Section 7.3.6, relating specifically to any change relating to the "establishment" of or "recovery of the Transmission Owner['s] revenue requiremen[t]" or "the recovery of transmission-related costs" is reflective of the statutory rights of the transmission owners in PJM. That is, Section 205 of the Federal Power Act "gives a utility the right to file rates and terms for services rendered with its assets."<sup>16</sup> Section 205 confirms a public utility's "right . . . to change its rates . . . [at] will, unless it has undertaken by contract not to do so."<sup>17</sup> The Exelon Utilities have ceded

<sup>&</sup>lt;sup>15</sup> CTOA, § 7.3.6.

<sup>&</sup>lt;sup>16</sup> Atl. City Elec. Co. v. FERC, 295 F.3d 1, 9 (D.C. Cir. 2002) (citing 16 U.S.C. § 824d).

<sup>&</sup>lt;sup>17</sup> United Gas Pipe Line Co. v. Memphis Light, Gas & Water Div., 358 U.S. 103, 113 (1958).

Debbie-Anne Reese December 20, 2024 Docket No. ER24-2888 et al. Page 8

by contract their filing rights to change PJM Regional Rate Design—but where, as in this proceeding, they make a filing that does not change the regional rate design, the filing rights belong to the transmission owners.

We agree that the filings would exceed the bounds of the Exelon Utilities' authority if they attempted to alter or revise regional rate design or other generally applicable PJM rate provisions. That is because the Exelon Utilities ceded the right to make such changes in Section 7.2.1 of the CTOA, which precludes unilateral changes to "the PJM Regional Rate Design" which is defined as "a Rate Design that applies, in accordance with its terms, to all Zones in the PJM Region."<sup>18</sup> But as the Exelon Utilities have explained in their various filings to date in this proceeding, and explain further in response to the second question below, the filings do not alter in any respect regional or generic rate rules in PJM. Rather, because they relate to the "recovery" of the revenue requirements of the Exelon Utilities, they are authorized under the CTOA.

In sum, these filings do not change the regional rate design of PJM but are part of Attachment H and do clarify the recovery of the Exelon Utilities' transmission revenue requirements for service within the Exelon Utilities' zones. Again, clarification is important because there are entities who take contrasting views on these issues and who are seeking service on the Exelon Utilities' systems. If the Commission were to provide such clarification by some other means, the need for clarification here would certainly be reduced or might even disappear. But for now, the need is clear. In any event, because these filings amend Attachment H, and do relate to recovery of the Exelon Utilities' revenue requirements, but do not alter the PJM Regional Rate Design, these Section 205 filings are within the exclusive authority of the Exelon Utilities.

#### **STAFF REQUEST 2**

The Exelon Companies' proposed tariff revisions apply to "all load in [an Exelon Company's] Zone that is *electrically connected and synchronized when consuming power*, regardless of the location of the physical interconnection to [an Exelon Company's] Transmission Facilities or whether that connection also uses facilities owned by a third party." (Emphasis added.)

<sup>&</sup>lt;sup>18</sup> CTOA, § 1.18 Definition of PJM Regional Rate Design.

Debbie-Anne Reese December 20, 2024 Docket No. ER24-2888 et al. Page 9

> Please explain the meaning of the above italicized language and whether it includes behind-the-meter load other than co-located load.

#### **RESPONSE TO STAFF REQUEST 2**

Staff Request 2 asks a two-part question requiring a two-part answer. *First*, the intent of the italicized language, in the context of the surrounding language, is to clarify that Co-Located Load would be included amongst the Network Load of a Network Customer.<sup>19</sup> More specifically, entities seeking special treatment of Co-Located Load have contended that the mere location of end use load at a generator site excludes that load from being treated as Network Load. Some have also contended that relay systems designed to prevent net backflows of power to a site with a generator and Co-Located Load should the generator "trip" or be out of service result in the load being "fully isolated" from the transmission system and thereby not liable for treatment as Network Load of a Network Customer. The purpose of the language was to be clear that such end use load, notwithstanding its location at a generator site or behind such protective relay systems, would be treated as Network Load, if "electrically connected and synchronized when consuming power."

To be clear, the Exelon Utilities chose that particular phrasing because it was used in a PJM guidance document on Co-Located Load.<sup>20</sup> Specifically, the guidance document explains:

A co-located load configuration refers to end-use customer load that is physically connected to the facilities of an existing or planned Customer Facility on the Interconnection Customer's side of the Point of Interconnection ("POI") to the PJM Transmission System (co-located Customer Facility). Colocated load is distinct from and does not include Station Power load. Examples of co-located load include a data center,

<sup>&</sup>lt;sup>19</sup> Or would be treated as a Point-to-Point Customer load in those rare instances where such alternative treatment was appropriate.

<sup>&</sup>lt;sup>20</sup> PJM Guidance on Co-Located Load (April 17, 2024), pjm-guidance-on-co-located-load.ashx ("PJM Co-Located Guidance")

Debbie-Anne Reese December 20, 2024 Docket No. ER24-2888 et al. Page 10

> crypto currency mining operation, hydrogen hub, etc. Although co-located load is located behind the POI, it still is *electrically connected and synchronized* to the PJM Transmission System *when consuming power* and therefore benefits from the use of the Transmission System and Ancillary Services.<sup>21</sup>

The PJM Guidance Document is not part of the PJM Tariff, or even a Technical Manual—it has no force of law. But it provided a convenient description of Co-Located Load and includes a determination with which the Exelon Utilities agree—that such load "benefits from the use of the Transmission System and Ancillary Services."

The Exelon Utilities are not attempting to include other netting arrangements that have been accepted and approved at the federal or retail level, such as retail "net metering" arrangements for rooftop solar or QF arrangements. The Exelon Utilities are also not attempting to change any generally applicable PJM rule or, for that matter, any statejurisdictional rule or rate applicable to retail load. Those arrangements are distinct from what a Co-Located Load represents, which is why we are seeking to clarify treatment in the Exelon Utilities' zones through this 205 filing.

*Second*, Staff Request 2 asks about the treatment of "behind-the-meter load." We note that this is not a defined term in the PJM OATT, nor does the tariff provide for any treatment of "behind the meter load." Instead, the OATT defines "Behind the Meter Generation" and provides in Section 34.2 for netting of load served by Behind the Meter Generation from the load of a Network Customer. To be clear, the Exelon Utilities have no intention of altering the PJM OATT rules relating to "Behind the Meter Generation," as the proposed provision expressly states. That is, the proposed language in each tariff provides:

Nothing in this paragraph alters the transmission revenue requirement for Network Integration Transmission service or the treatment of Behind the Meter Generation under the Tariff  $\dots^{22}$ 

<sup>&</sup>lt;sup>21</sup> PJM Co-Located Guidance at 1 (footnotes omitted)(emphasis added).

<sup>&</sup>lt;sup>22</sup> Revised tariff language as provided in Exelon Utilities September 27, 2024 Answer, at 6 (emphasis added).

Debbie-Anne Reese December 20, 2024 Docket No. ER24-2888 et al. Page 11

The proposed tariff changes nothing about the treatment of Behind the Meter Generation. Indeed, the Exelon Utilities' proposals are to treat Co-Located Load as Network Load. That approach is entirely consistent with the definition of Behind the Meter Generation:

> "Behind The Meter Generation" shall refer to a generation unit that delivers energy to load *without using the Transmission System* or any distribution facilities (unless the entity that owns or leases the distribution facilities has consented to such use of the distribution facilities and such consent has been demonstrated to the satisfaction of the Office of the Interconnection); provided, however, that Behind The Meter Generation does not include (i) at any time, any portion of such generating unit's capacity that is designated as a Generation Capacity Resource; or (ii) in an hour, any portion of the output of such generating unit that is sold to another entity for consumption at another electrical location or into the PJM Interchange Energy Market.<sup>23</sup>

As discussed, for example, in the Declaration of Exelon transmission planner and engineer David Weaver,<sup>24</sup> service to Co-Located Load *does* use the Transmission System. To reiterate, Mr. Weaver explained that, whether or not protective relay systems were installed, load co-located with nuclear plants depends on the grid because nuclear licensing requirements demand it,<sup>25</sup> because the arrangements depend on the grid for delivery of required ancillary services,<sup>26</sup> and because the arrangements depend on the grid and grid resources for their backup supply arrangements.<sup>27</sup> None of this is contested. None of the opposing parties refute or even argue with the claim that nuclear licensing requirements depend upon a strong grid interconnection.<sup>28</sup> Nor do any dispute that

<sup>26</sup> *Id.* ¶¶ 14–20

<sup>27</sup> *Id.* ¶¶ 21–24.

<sup>28</sup> See, e.g., Affidavit of Paul W. Weeks, Attachment 2 to Constellation Second Answer (which acknowledges at paragraph 5 many ways operation of a nuclear facility depends on the grid); Reply Affidavit of Steven R. Herling,

<sup>&</sup>lt;sup>23</sup> PJM OATT, Section 1 (Definitions) (emphasis added).

<sup>&</sup>lt;sup>24</sup> Declaration of David Weaver, PE, Attachment 1 to Exelon Utilities' November 4, 2024 Answer ("Weaver Decl.")

<sup>&</sup>lt;sup>25</sup> Weaver Decl. ¶¶ 10–13.

Debbie-Anne Reese December 20, 2024 Docket No. ER24-2888 et al. Page 12

nuclear units are *incapable* of providing load following service, and that the service must therefore be provided by remote units, and that the service can therefore only be delivered via a functioning grid.<sup>29</sup> Nor does anyone question that the nuclear units cannot provide black-start service themselves, and thus are entirely dependent on remote units, with power delivered over the grid, for system recovery.<sup>30</sup> Because Behind the Meter Generation is defined to only include arrangements that provide service "without using the Transmission System," the definition of Behind the Meter Generation *cannot* apply to most Co-Located Load configurations.

Further, to seek treatment as Behind the Meter Generation, the PJM Tariff requires that the arrangement must be served as the load of a Network Customer. Most notably, the PJM OATT provides for an adjustment to Network Load of a Network Customer to reflect Behind The Meter Generation:

The daily load of a *Network Customer* does not include load served by operating Behind The Meter Generation. The daily load of a *Network Customer* shall not be reduced by energy injections into the transmission system by the *Network Customer*.<sup>31</sup>

The proposed amendments merely make clear that Co-Located Load is Network Load such an amendment does not and cannot change any part of the PJM Tariff process under which a Network Customer can seek Behind the Meter Generation treatment. Likewise,

Attachment 1 to Constellation Second Answer (Nov. 12, 2024) ("Herling Reply Aff.) (acknowledging at paragraph 5 that "nuclear generating units are not physically able to operate if the grid connection fails").

<sup>&</sup>lt;sup>29</sup> See, e.g., Affidavit of Steven R. Herling, Attachment 1 to Constellation Protest (Oct. 2, 2024) ("Herling Aff.") (acknowledging at paragraph 22 that the nuclear unit cannot change its output, and thus load following results in the net output measured at the meter being "slightly more variable as a result of the co-located generator matching the moment-to-moment changes in the co-located load"). Mr. Herling then suggests in the affidavit that we pretend that this variation is a variation in the output of the nuclear generator. But given that the nuclear generator cannot alter its output, this variation is a reflection of the ups and downs of the load, which in turn must be matched by ups and downs of some remote generator that can move its output up and down, all dependent on the grid.

<sup>&</sup>lt;sup>30</sup> See, e.g., Herling Reply Aff. ¶ 7 (acknowledging that the nuclear unit that is part of the arrangement depends on remotely provided Black Start service, delivered over the grid, and that the Co-Located Load would be unable to receive service again absent that remotely provided service).

<sup>&</sup>lt;sup>31</sup> PJM OATT, Section 34.2, Netting of Behind the Meter Generation (emphasis added).

Debbie-Anne Reese December 20, 2024 Docket No. ER24-2888 et al. Page 13

the proposed language is not intended to change any other generally applicable rate rules in the PJM OATT.

#### **III. DOCUMENTS SUBMITTED WITH THIS FILING**

The Exelon Utilities submit:

- 1. This compliance letter;
- 2. Attachment 1: Redlined Tariff Sheet
  - For ACE, PJM Tariff Attachment H-1
  - For BGE, PJM Tariff Attachment H-2
  - For ComEd, PJM Tariff Attachment H-13
  - For DPL, PJM Tariff Attachment H-3
  - For Pepco, PJM Tariff Attachment H-9
  - For PECO, PJM Tariff Attachment H-7
- 3. Attachment 2: Clean Tariff Sheet.
  - For ACE, PJM Tariff Attachment H-1
  - For BGE, PJM Tariff Attachment H-2
  - For ComEd, PJM Tariff Attachment H-13
  - For DPL, PJM Tariff Attachment H-3
  - For Pepco, PJM Tariff Attachment H-9
  - For PECO, PJM Tariff Attachment H-7

#### IV. SERVICE

The Exelon Companies will serve this filing on all parties on the official service list in the referenced dockets. In addition, PJM has served a copy of this filing on all PJM Members and on all state utility regulatory commissions in the PJM Region by posting this filing electronically. In accordance with the Commission's regulations,<sup>32</sup> PJM will post a copy of this filing to the FERC filings section of its internet site, located at the following link: http://www.pjm.com/library/filing-order with a specific link to the newly-

<sup>&</sup>lt;sup>32</sup> See 18 CFR §§ 35.2(e) and 385.2010(f)(3).

Debbie-Anne Reese December 20, 2024 Docket No. ER24-2888 et al. Page 14

filed document, and will send an e-mail on the same date as this filing to all PJM Members and all state utility regulatory commissions in the PJM Region<sup>33</sup> alerting them that this filing has been made by PJM and is available by following such link. If the document is not immediately available by using the referenced link, the document will be available through the referenced link within 24 hours of the filing. Also, a copy of this filing will be available on the Commission's eLibrary website located at the following link: http://elibrary.ferc.gov in accordance with the Commission's regulations and Order No. 714.

### CONCLUSION AND REQUEST FOR ANY NECESSARY WAIVERS

For the reasons discussed above, the Exelon Utilities respectfully request that the Commission grant any and all waivers necessary for acceptance of this filing and, accept their Section 205 filings, with an effective date of February 24, 2025.

Respectfully submitted,

<u>/s/ Stan Berman</u> Stan Berman Berman and Todderud LLP 3502 Fremont Ave N, #1 Seattle, WA 98103 (206)-279-3193 stan@btlawllp.com

<sup>&</sup>lt;sup>33</sup> PJM already maintains, updates, and regularly uses e-mail lists for all PJM members and affected state commissions.

#### **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served an electronic copy of the foregoing document upon each person designated on the official service list in the above captioned dockets.

Dated this 20th day of December 2024, at Seattle, WA.

<u>/s/ Stan Berman</u> Berman and Todderud LLP 3502 Fremont Ave. N., Suite 1 Seattle, WA 98103 (206) 279-3193 stan@btlawllp.com

# ATTACHMENT 1 MARKED TARIFF SHEETS

#### ATTACHMENT H-3

#### Annual Transmission Rates – Delmarva Power & Light Company Zone for Network Integration Transmission Service

- 1. Delmarva Power & Light Company's (Delmarva's) annual transmission revenue requirement and the associated rate for Network Integration Transmission Service are equal to the results of the formula shown in Attachment H-3D posted on the PJM Internet site, which reflects the facilities of Delmarva within the Zone of 69 kV and higher voltage. The rate determined pursuant to Attachment H-3D shall be implemented pursuant to the Formula Rate Implementation Protocols set forth in Attachment H-3E. Service utilizing facilities at voltages below 69 kV will be provided at rates determined on a case-by-case basis.
- 2. In the event that any other entity in the Zone becomes a signatory to the Transmission Owners Agreement, and adopts an annual transmission revenue requirement (established in accordance with applicable requirements, including those of the FERC to the extent applicable) for inclusion in the Tariff, such revenue requirement and associated rate for Network Integration Transmission Service shall be stated in an appendix to this Attachment H-3 and added to the annual transmission revenue requirement and rate for Network Integration Transmission Service for the Zone. The foregoing shall not affect such rights as any entity may have under Section 30.9 of the Tariff, provided that no such entity may recover more than its annual transmission revenue requirement through the combination of any rights exercised pursuant to this Attachment H-3 and Section 30.9 of the Tariff.
- 3. The rate derived pursuant to Sections 1 and 2 above shall be effective until amended by the applicable Transmission Owner(s) within the Zone or modified by the Commission. No filing by a Transmission Owner with respect to its revenue requirement or rate shall be deemed a basis for examining the revenue requirement or rate (or methodology for determining the revenue requirement or rate) of any other Transmission Owner within the Zone.
- 4. In addition to the rate set forth in Sections 1 and 2 of this Attachment, the Network Customer purchasing Network Integration Transmission Service shall pay for transmission congestion charges, in accordance with the provisions of the Tariff, and any amounts necessary to reimburse the Transmission Owners for any amounts payable by them as sales, excise, "Btu," carbon, value-added or similar taxes (other than taxes based upon or measured by net income) with respect to the amounts payable pursuant to the Tariff.
- 5. For avoidance of doubt and to ensure compliance with the definition of "Network Load,"
  <u>all load in the Delmarva Zone that is electrically connected and synchronized when</u>
  <u>consuming power, regardless of the location of the physical interconnection to Delmarva</u>
  <u>Transmission Facilities or whether that connection also uses facilities owned by a third</u>
  <u>party, shall either (a) be designated as Network Load by a Network Customer under</u>
  <u>Tariff, Part III, and subject to all associated charges and services; or (b) where an Eligible</u>

Customer has elected not to designate a particular load at a discrete point of delivery as Network Load, the Eligible Customer is responsible for making separate arrangements under Tariff, Part II for Point-To-Point Transmission Service for such non-designated load. For further avoidance of doubt, the Network Customer Facilities required by Section 29.4 includes metering consistent with the Tariff and any state retail access program. Nothing in this paragraph alters the transmission revenue requirement for Network Integration Transmission Service or the treatment of Behind the Meter Generation under the Tariff or the treatment of Qualifying Facilities under the Tariff or the Public Utility Regulatory Policies Act of 1978 nor preempts any otherwise lawful rate, incentive, subsidy, or other similar provision for the benefit of load, including, but not limited to, retail net metering arrangements.

# ATTACHMENT 2 CLEAN TARIFF SHEETS

#### ATTACHMENT H-3

#### Annual Transmission Rates – Delmarva Power & Light Company Zone for Network Integration Transmission Service

- 1. Delmarva Power & Light Company's (Delmarva's) annual transmission revenue requirement and the associated rate for Network Integration Transmission Service are equal to the results of the formula shown in Attachment H-3D posted on the PJM Internet site, which reflects the facilities of Delmarva within the Zone of 69 kV and higher voltage. The rate determined pursuant to Attachment H-3D shall be implemented pursuant to the Formula Rate Implementation Protocols set forth in Attachment H-3E. Service utilizing facilities at voltages below 69 kV will be provided at rates determined on a case-by-case basis.
- 2. In the event that any other entity in the Zone becomes a signatory to the Transmission Owners Agreement, and adopts an annual transmission revenue requirement (established in accordance with applicable requirements, including those of the FERC to the extent applicable) for inclusion in the Tariff, such revenue requirement and associated rate for Network Integration Transmission Service shall be stated in an appendix to this Attachment H-3 and added to the annual transmission revenue requirement and rate for Network Integration Transmission Service for the Zone. The foregoing shall not affect such rights as any entity may have under Section 30.9 of the Tariff, provided that no such entity may recover more than its annual transmission revenue requirement through the combination of any rights exercised pursuant to this Attachment H-3 and Section 30.9 of the Tariff.
- 3. The rate derived pursuant to Sections 1 and 2 above shall be effective until amended by the applicable Transmission Owner(s) within the Zone or modified by the Commission. No filing by a Transmission Owner with respect to its revenue requirement or rate shall be deemed a basis for examining the revenue requirement or rate (or methodology for determining the revenue requirement or rate) of any other Transmission Owner within the Zone.
- 4. In addition to the rate set forth in Sections 1 and 2 of this Attachment, the Network Customer purchasing Network Integration Transmission Service shall pay for transmission congestion charges, in accordance with the provisions of the Tariff, and any amounts necessary to reimburse the Transmission Owners for any amounts payable by them as sales, excise, "Btu," carbon, value-added or similar taxes (other than taxes based upon or measured by net income) with respect to the amounts payable pursuant to the Tariff.
- 5. For avoidance of doubt and to ensure compliance with the definition of "Network Load," all load in the Delmarva Zone that is electrically connected and synchronized when consuming power, regardless of the location of the physical interconnection to Delmarva Transmission Facilities or whether that connection also uses facilities owned by a third party, shall either (a) be designated as Network Load by a Network Customer under Tariff, Part III, and subject to all associated charges and services; or (b) where an Eligible

Customer has elected not to designate a particular load at a discrete point of delivery as Network Load, the Eligible Customer is responsible for making separate arrangements under Tariff, Part II for Point-To-Point Transmission Service for such non-designated load. For further avoidance of doubt, the Network Customer Facilities required by Section 29.4 includes metering consistent with the Tariff and any state retail access program. Nothing in this paragraph alters the transmission revenue requirement for Network Integration Transmission Service or the treatment of Behind the Meter Generation under the Tariff or the treatment of Qualifying Facilities under the Tariff or the Public Utility Regulatory Policies Act of 1978 nor preempts any otherwise lawful rate, incentive, subsidy, or other similar provision for the benefit of load, including, but not limited to, retail net metering arrangements.