

185 FERC ¶ 61,068
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Willie L. Phillips, Acting Chairman;
James P. Danly, Allison Clements,
and Mark C. Christie.

PJM Interconnection, L.L.C.

Docket No. ER23-1784-000

ORDER ON COMPLIANCE AND REQUEST FOR WAIVERS

(Issued October 26, 2023)

1. On May 1, 2023, PJM Interconnection, L.L.C. (PJM) filed revised tariff records¹ to its Open Access Transmission Tariff (OATT), and a request for waivers of certain standards to comply with the requirements of Order No. 676-J.² In Order No. 676-J, the Commission revised its regulations to incorporate by reference Version 003.3 of the Standards for Business Practices and Communication Protocols for Public Utilities (Business Practice Standards) adopted by the Wholesale Electric Quadrant (WEQ) of the North American Energy Standards Board (NAESB) as mandatory enforceable requirements. The Commission established two implementation dates depending on the subject matter of the standard, and required public utilities and other utilities required to comply with section 38.1 of the Commission regulations³ to make two separate compliance filings to include these standards in their tariffs.⁴ This filing represents PJM's second compliance filing. In this order, we accept PJM's revised tariff record,

¹ PJM Interconnection, L.L.C., Intra-PJM Tariffs, [4.2, OATT 4.2 \(10.0.0\)](#), [4.2, OATT 4.2 \(10.1.0\)](#).

² *Standards for Bus. Pracs. & Commc'n Protocols for Pub. Utils.*, Order No. 676-J, 175 FERC ¶ 61,139 (2021).

³ 18 C.F.R. § 38.1 (2022).

⁴ Order No. 676-J, 175 FERC ¶ 61,139 at PP 48, 50. In Order No. 676-J, the Commission required utilities to make an earlier compliance filing for the cybersecurity and Parallel Flow Visualization (PFV) standards included in Version 003.3. *Id.* PP 49-50. On February 23, 2023, the Commission accepted the compliance filings for the cybersecurity and PFV standards included in Version 003.3.

Version 10.0.0,⁵ for the remainder of the revisions in Version 003.3, to become effective February 1, 2024, subject to additional compliance filings, as described below, and grant PJM's request for waivers.

I. Background

2. On May 20, 2021, the Commission issued Order No. 676-J, which amended the Commission's regulations under the Federal Power Act (FPA)⁶ to incorporate by reference the WEQ Version 003.3 of the Business Practice Standards adopted by NAESB.⁷ The NAESB Business Practice Standards are intended to standardize and streamline the transactional processes of the natural gas and electric industries, as well as the communication protocols and related standards designed to improve the efficiency of communication within each industry.⁸

3. The WEQ Version 003.3 Business Practice Standards include, in their entirety, the WEQ-023 Modeling Business Practice Standards contained in the WEQ Version 003.1 Standards that address the technical issues affecting ATC and Available Flowgate Capability calculation for wholesale electric transmission services.⁹ The WEQ Version 003.3 Business Practice Standards also include newly created standards as well as modifications to existing standards developed through the NAESB Business Practice Standards development or minor correction processes.¹⁰ In Order No. 676-J, the Commission directed utilities to make two separate compliance filings for Version 003.3.¹¹ The first compliance filing concerned the cybersecurity and PFV standards included in Version 003.3. The Commission directed utilities to make the second compliance filing reflecting the remainder of the revisions in Version 003.3 12 months after implementation of the WEQ Version 003.2 Standards, or no earlier than October 27,

⁵ PJM Interconnection, L.L.C., Intra-PJM Tariffs, [4.2, OATT 4.2 \(10.0.0\)](#).

⁶ 16 U.S.C. § 791a, *et seq.*

⁷ Order No. 676-J, 175 FERC ¶ 61,139 at P 1. In Order No. 676-J, the Commission also revised its regulations to provide that transmission providers must avoid unduly discriminatory and preferential treatment in the calculation of Available Transfer Capability (ATC). *Id.* P 2.

⁸ *Id.* P 4.

⁹ *Id.* PP 16, 68.

¹⁰ *Id.* P 10.

¹¹ *Id.* PP 49-50.

2022, with an implementation date no earlier than three months following compliance filings submission (no earlier than January 27, 2023), resulting in a 15-month implementation period.¹²

4. The Commission also stated that should any public utility that has previously been granted a waiver of the regulations believe that its circumstances warrant a continued waiver, the public utility may file a request for a waiver wherein the public utility can detail the circumstances that it believes warrant a waiver.¹³ The Commission specified that in its request for continued waiver, the public utility must include the date, docket number of the order(s) previously granting the waiver(s), and an explanation for why the waiver(s) was initially granted by the Commission.

II. PJM's Filing

A. Proposed Standards

5. PJM proposes to incorporate the remainder of the revisions in Version 003.3 into its OATT by reference,¹⁴ with the exception of certain standards for which PJM requests waivers, as set forth below.¹⁵ PJM explains that it filed two versions of tariff records: (1) Version 10.0.0,¹⁶ which excludes compliance with the cryptographic security module (CSM) standards; and (2) Version 10.1.0,¹⁷ which includes compliance with the CSM

¹² *Id.* PP 48, 50. The Commission noted that the implementation of the NAESB ATC-related standards contained in WEQ-023 will be coordinated with the retirement of the North American Electric Reliability Corporation MOD A Reliability Standards. *Id.* P 43 n.53. In a final rule issued concurrently with this order, the Commission is approving the proposed retirement of the MOD A Reliability Standards effective February 1, 2024. *Elec. Reliability Org. Proposal to Retire Requirements in Reliability Standards Under the NERC Standards Efficiency Rev.*, Order No. 902, 185 FERC ¶ 61,064, at PP 10, 25 (2023).

¹³ *Id.* P 51.

¹⁴ Transmittal at 1-2.

¹⁵ *See* 18 C.F.R. § 38.1(b)(2) (enumerating all of the standards adopted in Version 003.3).

¹⁶ PJM, Intra-PJM Tariffs 4.2, OATT 4.2 (10.0.0).

¹⁷ PJM, Intra-PJM Tariffs 4.2, OATT 4.2 (10.1.0).

standards.¹⁸ With respect to these tariff records, PJM states that it is not yet in a position to commit to implementing the CSM standards, because PJM's implementation of the CSM standards is subject to validation by the National Institute of Standards and Technology's (NIST) Cryptographic Module Validation Program (CMVP) of the cryptographic module provided by F5, the specialized technology company that PJM has contracted with to provide this service.¹⁹ PJM states that, so far as it is aware, there is no issue specific to PJM, F5, or F5's cryptographic module, but rather NIST CMVP has publicly disclosed that it is experiencing a significant backlog in the validation process.²⁰

B. Request for Waivers

6. PJM requests continued waivers of certain standards related to: (1) Service Across Multiple Transmission Systems (SAMTS) in WEQ-001; (2) Network Integration Transmission Service (NITS) within WEQ-000, WEQ-001, WEQ-002, and WEQ-003, which are designed to support the Open Access Same-Time Information System functionality associated with NITS; and (3) firm transmission service customers' right of preemption and right of first refusal in WEQ-001 and WEQ-002. PJM states that the Commission granted continued waiver of the standards related to SAMTS and NITS, and waiver of the standards related to firm transmission service customers' right of preemption and right of first refusal.²¹ PJM states that the Commission granted continued waiver of these standards in response to its first compliance filing under Order No. 676-J.²² PJM states that there is good cause for the continued waivers because the same circumstances that warranted the waivers continue to exist.²³

¹⁸ Transmittal at 6.

¹⁹ *Id.* at 5.

²⁰ *Id.* at 5 & n.12.

²¹ *Id.* at 6, 9, 11-12 (citing *PJM Interconnection, L.L.C.*, 178 FERC ¶ 61,163, at PP 20-22 (2022) (Order No. 676-I Compliance Order)).

²² *Id.* at 7 (citing *PJM Interconnection L.L.C.*, 182 FERC ¶ 61,118, at P 14 (2023) (Order No. 676-J First Compliance Order)).

²³ *Id.* at 9, 12, 15.

III. Notice and Responsive Pleadings

7. Notice of PJM's compliance filing was published in the *Federal Register*, 88 Fed. Reg. 29,125 (May 5, 2023), with interventions and protests due on or before May 22, 2023. None was filed.

IV. Discussion

8. We accept PJM's Order No. 676-J revised tariff record, Version 10.0.0, for the remainder of the revisions in Version 003.3 to become effective February 1, 2024,²⁴ grant the requested waivers, and direct PJM to make additional compliance filings. In particular, we accept PJM's revised tariff record, Version 10.0.0, because it complies with the directives of Order No. 676-J, subject to the additional compliance filings discussed below.

9. Because PJM states that it is not yet in a position to commit to implementing the CSM standards as its implementation of the CSM standards is subject to validation by NIST CMVP of the cryptographic module provided by F5,²⁵ we accept PJM's revised tariff record, Version 10.0.0, which excludes compliance with the CSM standards, and reject as premature PJM's revised tariff record, Version 10.1.0, which includes compliance with the CSM standards. We direct PJM to submit a compliance filing with a revised tariff record that includes compliance with the CSM standards within 30 days after PJM obtains validation from NIST CMVP of the cryptographic module provided by F5. In addition, we grant PJM waiver of the CSM standards until PJM makes its compliance filing with a revised tariff record that includes compliance with the CSM standards.

10. We grant PJM's request for continued waivers of the standards related to: (1) SAMTS in WEQ-001; (2) NITS within WEQ-000, WEQ-001, WEQ-002, and WEQ-003; and (3) firm transmission service customers' right of preemption and right of first refusal in WEQ-001 and WEQ-002. As PJM states in its transmittal letter, the circumstances that were the basis for the Commission's waivers of all of these standards

²⁴ In Order No. 676-J, the Commission stated that it would set an implementation date for the remainder of the revisions in Version 003.3 no earlier than three months following compliance filings submission (no earlier than January 27, 2023), resulting in a 15-month implementation period. Order No. 676-J, 175 FERC ¶ 61,139 at PP 48, 50. We choose to set a common effective date of February 1, 2024 for the Order No. 676-J compliance filings that incorporate by reference the remainder of the revisions in Version 003.3.

²⁵ See *supra* P 5.

have not changed.²⁶ We find that PJM has supported continued waiver of the foregoing standards for the reasons set forth in PJM's filing, and because the rationale used when the Commission previously granted these waivers has not changed. Therefore, consistent with the Commission's previous determinations in the Order No. 676-I Compliance Order²⁷ and Order No. 676-J First Compliance Order,²⁸ and for good cause shown, we grant the request for continued waivers.

11. Finally, the first and second paragraphs of section 4.2 of PJM's OATT include citations to the previous orders granting PJM's waiver requests. Therefore, we require PJM to make a compliance filing within 30 days of the date of issuance of this order to revise its tariff records to include the citation to this order granting the waiver requests.²⁹

The Commission orders:

(A) PJM's revised tariff record, Version 10.0.0, is hereby accepted for filing, to become effective February 1, 2024, subject to additional compliance filings, as discussed in the body of this order.

(B) PJM's revised tariff record, Version 10.1.0 is hereby rejected, as discussed in the body of this order.

(C) PJM's request for waivers and waiver of the CSM standards are hereby granted, as discussed in the body of this order.

²⁶ Transmittal at 9, 12, 15.

²⁷ Order No. 676-I Compliance Order, 178 FERC ¶ 61,163 at PP 20-22.

²⁸ Order No. 676-J First Compliance Order, 182 FERC ¶ 61,118 at P 14.

²⁹ See, e.g., *Versant Power*, 178 FERC ¶ 61,159, at P 15 (2022); *PJM Interconnection, L.L.C.*, 151 FERC ¶ 61,141, at P 20 (2015); *Golden Spread Elec. Coop., Inc.*, 151 FERC ¶ 61,141, at P 24 (2015). For this compliance filing, we remind PJM to include a higher eTariff priority code for its revised tariff records effective February 1, 2024.

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(D) PJM is hereby directed to make additional compliance filings, as discussed in the body of this order.

By the Commission.

(S E A L)

Debbie-Anne A. Reese,
Deputy Secretary.

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