## FEDERAL ENERGY REGULATORY COMMISSION WASHINGTON, D.C. 20426

#### OFFICE OF ENERGY MARKET REGULATION

PJM Interconnection, L.L.C. Docket No. ER18-1681-000 6/22/18

Wright &Talisman, P.C. 1200 G Street, N.W., Suite 600 Washington, DC 20005

Attention: David S. Berman

Counsel for PJM Interconnection, L.L.C.

Reference: Notice of Cancellation

Dear Mr. Berman:

On May 24, 2018, PJM Interconnection, L.L.C. (PJM) filed a notice of cancellation<sup>1</sup> of an executed Wholesale Market Participation Agreement (WMPA) entered into among PJM, Solar Access Development Group LLC (Solar Access) and Ohio Power Company. PJM states that Solar Access has decided not to move forward with its interconnection project and therefore notified PJM it was withdrawing its project and requested that the Solar Access WMPA be cancelled.

Pursuant to the authority delegated to the Director, Division of Electric Power Regulation – East, under 18 C.F.R. §375.307, your submittal is accepted for filing, effective June 26, 2018, as requested.

The filing was noticed on May 24, 2018, with comments, interventions, and protests due on or before June 14, 2018. Pursuant to Rule 214 (18 C.F.R. § 385.214 (2017)), to the extent that any timely filed motions to intervene and any motion to intervene out-of-time were filed before the issuance date of this order, such interventions are granted. Granting late interventions at this stage of the proceeding will not disrupt the

<sup>&</sup>lt;sup>1</sup> Notice cancelling PJM Interconnection, L.L.C., <u>PJM SA No. 4515, PJM SA No. 4515 Among PJM, Solar Access, and AEP, 1.0.0</u>.

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Docket No. ER18-1681-000

proceeding or place additional burdens on existing parties.

This acceptance for filing shall not be construed as constituting approval of the referenced filing or of any rate, charge, classification, or any rule, regulation, or practice affecting such rate or service contained in your filing; nor shall such acceptance be deemed as recognition of any claimed contractual right or obligation associated therewith; and such acceptance is without prejudice to any findings or orders which have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against PJM.

This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713.

Sincerely,

Kurt M. Longo, Director Division of Electric Power Regulation – East

Document Content(s)
ER18-1681-000 delegated letter.DOCX

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1200 G Street, N.W., Suite 600 Washington, D.C. 20005-3898

Phone: 202.393.1200 Fax: 202.393.1240 wrightlaw.com

May 24, 2018

Honorable Kimberly D. Bose, Secretary Federal Energy Regulatory Commission 888 First Street, N.E., Room 1A Washington, D.C. 20426

Re: PJM Interconnection, L.L.C., Docket No. ER18-1681-000

Notice of Cancellation of WMPA, SA No. 4515; Queue No. AB1-174

Dear Secretary Bose:

#### I. DESCRIPTION OF FILING

PJM Interconnection, L.L.C. ("PJM") submits this filing to notify the Federal Energy Regulatory Commission ("Commission") of the cancellation of a Wholesale Market Participation Agreement ("WMPA") entered into among PJM, Solar Access Development Group LLC ("Solar Access"), as Wholesale Market Participant, and Ohio Power Company ("AEP") as Transmission Owner, designated as Original Service Agreement No. 4515. The Commission accepted the Solar Access WMPA in Docket No. ER16-2494-000. Solar Access has decided not to move forward with its interconnection project and therefore notified PJM it was withdrawing its project and requested that the Solar Access WMPA be cancelled. Accordingly, PJM is submitting this filing to notify the Commission that Original Service Agreement No. 4515 is being cancelled effective as of June 26, 2018, sixty days after PJM and AEP were notified that Solar Access was withdrawing its project.<sup>3</sup>

Wholesale Market Participation Agreement By and Among PJM Interconnection, L.L.C. and Solar Access Development Group LLC and Ohio Power Company ("Solar Access WMPA"). *See* Submittal of PJM Interconnection, L.L.C., Docket No. ER16-2494-000 (Aug. 26, 2016).

The Commission accepted the Solar Access WMPA to be effective July 27, 2016. *PJM Interconnection, L.L.C.*, Letter Order, Docket No. ER16-2494-000 (Oct. 7, 2016).

The WMPA's termination provisions are subject to Attachment O, Appendix 2, Section 1 of the PJM Open Access Transmission Tariff ("Tariff"), which states that a termination can become effective upon written sixty days' notice. *See* Solar Access WMPA § 1.1; Tariff, Attachment O, Appendix 2 §§ 1.3, 16.1.2. Solar Access provided notice to terminate the WMPA to both PJM and AEP on April 27, 2018, and June 26, 2018, is sixty days thereafter.

#### II. WAIVER AND EFFECTIVE DATE

To the extent that the Commission considers this filing to be a notice of cancellation of Original Service Agreement No. 4515, PJM requests an effective date of June 26, 2018, for such cancellation. PJM requests that the Commission waive the sixty-day notice requirement specified in section 35.15 of the Commission's regulations<sup>4</sup> to allow such effective date. As described above, this effective date is sixty days after the date Solar Access notified PJM and AEP it was withdrawing its project. It also is consistent with section 1.1 of the Solar Access WMPA and Attachment O, Appendix 2, section 16.1.2 of the Tariff. The Commission has granted waivers of its prior notice requirements in similar circumstances.<sup>5</sup>

#### III. CORRESPONDENCE AND COMMUNICATIONS

All notices, communications, or correspondence addressed to PJM regarding this matter should be directed to, and PJM requests that the Secretary include on the Commission's official service list, the following:<sup>6</sup>

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

Carrie L. Bumgarner
David S. Berman
Wright & Talisman, P.C.
1200 G Street, N.W., Suite 600
Washington, DC 20005
(202) 393-1200 (phone)
(202) 393-1240 (fax)
bumgarner@wrightlaw.com
berman@wrightlaw.com

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<sup>&</sup>lt;sup>4</sup> 18 C.F.R. § 35.15.

See PJM Interconnection, L.L.C., Letter Order, ER18-900-000 (Mar. 29, 2018); PJM Interconnection, L.L.C., Letter Order, Docket No. ER18-830-000 (Mar. 8, 2018); PJM Interconnection, L.L.C., Letter Order, Docket No. ER18-341-000 (Dec. 21, 2017). If the Commission does not grant this effective date, PJM requests that the Commission grant the earliest effective date possible, and no later than July 24, 2018.

To the extent necessary, PJM requests waiver of Rule 203(b)(3) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.203(b)(3), to permit all of the persons listed to be placed on the official service list for this proceeding.

Kimberly D. Bose, Secretary May 24, 2018 Page 3

Jeanine S. Watson
Senior Counsel
PJM Interconnection, L.L.C.
2750 Monroe Blvd.
Audubon, PA 19403
(610) 666-4438 (phone)
(610) 666-8211 (fax)
jeanine.watson@pjm.com

#### IV. SERVICE

PJM has served a copy of this filing on Solar Access and AEP, as well as the state utility regulatory commissions within the PJM region.

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

Jeanine S. Watson Senior Counsel PJM Interconnection, L.L.C. 2750 Monroe Blvd. Audubon, PA 19403 (610) 666-4438 (phone) (610) 666-8211 (fax) jeanine.watson@pjm.com /s/ David S. Berman
Carrie L. Bumgarner
David S. Berman
Wright & Talisman, P.C.
1200 G Street, N.W., Suite 600
Washington, DC 20005
(202) 393-1200 (phone)
(202) 393-1240 (fax)
bumgarner@wrightlaw.com
berman@wrightlaw.com

Counsel for PJM Interconnection, L.L.C.

## FEDERAL ENERGY REGULATORY COMMISSION WASHINGTON, D.C. 20426

#### OFFICE OF ENERGY MARKET REGULATION

PJM Interconnection, L.L.C. Docket No. ER16-2494-000

Issued: 10/7/16

Wright & Talisman, P.C. 1200 G Street, N.W. Suite 600 Washington, D.C. 20005-3802

Attention: David S. Berman

Counsel for PJM Interconnection, L.L.C.

Reference: Wholesale Market Participation Agreement

Dear Mr. Berman:

On August 26, 2016, as supplemented on September 13, 2016, PJM Interconnection, L.L.C. (PJM) submitted for filing an executed Wholesale Market Participation Agreement (WMPA)<sup>1</sup> entered into among PJM, Solar Access Development Group, LLC (Solar Access) and Ohio Power Company (AEP), designated as Original Service Agreement No. 4515. PJM states that it is submitting this WMPA for filing because Solar Access intends to engage in wholesale sales in the PJM markets from a generating facility connected to AEP's distribution facilities.

Pursuant to the authority delegated to the Director, Division of Electric Power Regulation – East, under 18 C.F.R. § 375.307, your submittal is accepted for filing, effective July 27, 2016, as requested.

The filing was noticed on August 26, 2016, with comments, interventions, and protests due on or before September 16, 2016. Pursuant to Rule 214 (18 C.F.R. § 385.214 (2016)), to the extent that any timely filed motions to intervene and any motion

<sup>&</sup>lt;sup>1</sup> PJM Interconnection, L.L.C., FERC FPA Electric Tariff, PJM Service Agreements Tariff, PJM SA No. 4515, PJM SA No. 4515 Among PJM, Solar Access, and AEP, 0.0.0.

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to intervene out-of-time were filed before the issuance date of this order, such interventions are granted. Granting late interventions at this stage of the proceeding will not disrupt the proceeding or place additional burdens on existing parties.

This acceptance for filing shall not be construed as constituting approval of the referenced filing or of any rate, charge, classification, or any rule, regulation, or practice affecting such rate or service contained in your filing; nor shall such acceptance be deemed as recognition of any claimed contractual right or obligation associated therewith; and such acceptance is without prejudice to any findings or orders which have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against PJM.

This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713.

Sincerely,

Kurt M. Longo, Director Division of Electric Power Regulation – East

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1200 G Street, N.W. Suite 600

Washington, D.C. 20005-3802

Phone: 202-393-1200 Fax: 202-393-1240 www.wrightlaw.com

#### September 13, 2016

Kimberly D. Bose Secretary Federal Energy Regulatory Commission 888 First Street, NE, Room 1A Washington, DC 20426

Re: PJM Interconnection, L.L.C., Docket No. ER16-2494-000

Supplement to Filing

#### Dear Secretary Bose:

On August 26, 2016, PJM Interconnection, L.L.C. ("PJM") submitted for filing an executed Wholesale Market Participation Agreement ("WMPA") among PJM as Transmission Provider, Solar Access Development Group, LLC ("Solar Access") as Wholesale Market Participant, and Ohio Power Company ("AEP") as Transmission Owner, executed on July 27, 2016, and designated as Original Service Agreement No. 4515 ("Solar Access WMPA"). PJM hereby supplements the August 26 Filing, as described below.

As PJM explained in the August 26 Filing, Attachment B to the August 26 Filing contained pages of the Solar Access WMPA initialed by the parties, which reflected the parties' agreement to changes made to the Solar Access WMPA after it was circulated for execution.<sup>2</sup> These include changing "Construction Agreement" to "construction agreement" in section 3.1.6 because "construction agreement" is not a defined term under the WMPA; changing these "These standards include, but are not limited to" to "These standards include" for clarity, and designating Schedule F as "Not Required." These changes were reflected in the filed version of the Solar Access WMPA (and thus in the eTariff record). PJM explained, however, that it had not received the initialed pages from AEP in time to submit the Solar Access WMPA within the 30-day period allowed for the filing of service agreements.<sup>3</sup> PJM further stated it would submit the additional initialed

Submittal of PJM Interconnection, L.L.C., Docket No. ER16-2494-000 (Aug. 26, 2016) ("August 26 Filing").

<sup>&</sup>lt;sup>2</sup> *Id.* at 1-2 & n.3.

<sup>&</sup>lt;sup>3</sup> *Id.* at 2 & n.4 (citing 18 C.F.R. § 35.3(a)(2)).

Kimberly D. Bose, Secretary September 13, 2016 Page 2

pages once received from AEP.<sup>4</sup> PJM requested an effective date of July 27, 2016, for the Solar Access WMPA, stating that this effective date is appropriate because it is consistent with the intent of the parties, is limited in scope, and will not result in harm to third parties; and noting that there are no charges or security requirements associated with the Solar Access WMPA.<sup>5</sup>

PJM has since received the initialed pages from AEP and is therefore supplementing the August 26 Filing to include them in this docket. The initialed pages are included as Attachment I to this filing. The initialed pages contained in Attachment B to the August 26 Filing were simply exhibits to the filing and not part of the eTariff record for the Solar Access WMPA. This filing to supplement the August 26 Filing does not change any of the terms of the Solar Access WMPA or the eTariff record as filed in the August 26 Filing, but rather merely provides demonstration of AEP's agreement to the changes agreed to by the parties and included in the WMPA submitted in the August 26 Filing.

PJM reiterates its request for an effective date of July 27, 2016, for the Solar Access WMPA. The Solar Access WMPA was submitted on a timely basis, consistent with 18 C.F.R. § 35.3(a)(2). As explained above, this supplemental filing does not change any of the terms and conditions of the WMPA as originally filed.

Respectfully submitted,

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

/s/David S. Berman Carrie L. Bumgarner David S. Berman Wright & Talisman, P.C. 1200 G Street, NW, Suite 600 Washington, DC 20005 (202) 393-1200 (phone) (202) 393-1240 (fax) bumgarner@wrightlaw.com berman@wrightlaw.com

Counsel for PJM Interconnection, L.L.C

*Id.* at 2.

<sup>5</sup> Id. at 7-8. The Commission has previously accepted a supplement to the filing of service agreements in a similar form. See, e.g., PJM Interconnection, L.L.C., Letter Order, Docket No. ER16-1519-000 (June 15, 2016).

Kimberly D. Bose, Secretary September 13, 2016 Page 3

Steven R. Pincus Associate General Counsel PJM Interconnection, L.L.C. 2750 Monroe Boulevard Audubon, PA 19403 (610) 666-4370 (phone) (610) 666-4281 (fax) steven.pincus@pjm.com

#### **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 13th day of September, 2016.

/s/ David S. Berman
David S. Berman
Wright & Talisman, P.C.
1200 G Street, NW, Suite 600
Washington, DC 20005



- 3.1.5 Interconnection Agreement. On or before March 1, 2017, Wholesale Market Participant must enter into an Interconnection Agreement with the Transmission Owner in order to effectuate the WMPA.
- **3.1.6** Construction Agreement. On or before October 1, 2016, Wholesale Market Participant must enter into a construction agreement with the Transmission Owner in order to effectuate the WMPA.

Spm

Wholesale Market Participant shall demonstrate the occurrence of each of the foregoing milestones to Transmission Provider's reasonable satisfaction. Transmission Provider may reasonably extend any such milestone dates, in the event of delays that Wholesale Market Participant (i) did not cause and (ii) could not have remedied through the exercise of due diligence.

If (i) the Wholesale Market Participant suspends work pursuant to a suspension provision contained in an interconnection and/or construction agreement with the Transmission Owner or (ii) the Transmission Owner extends the date by which Wholesale Market Participant must enter into an interconnection agreement relative to this WMPA, and (iii) the Wholesale Market Participant has not made a wholesale sale under this WMPA, the Wholesale Market Participant may suspend this WMPA by notifying the Transmission Provider and the Transmission Owner in writing that it wishes to suspend this WMPA. with the condition that, notwithstanding such suspension, the Transmission System shall be left in a safe and reliable condition in accordance with Good Utility Practice and Transmission Provider's safety and reliability criteria. Wholesale Market Participant's notice of suspension shall include an estimated duration of the suspension period and other information related to the suspension. Pursuant to this section 3.1, Wholesale Market Participant may request one or more suspensions of work under this WMPA for a cumulative period of up to a maximum of three years. If, however, the suspension will result in a Material Modification as defined in Part I, Section 1.18A.02 of the Tariff, then such suspension period shall be no greater than one (1) year. If the Wholesale Market Participant suspends this WMPA pursuant to this Section 3.1 and has not provided written notice that it will exit such suspension on or before the expiration of the suspension period described herein, this WMPA shall be deemed terminated as of the end of such suspension period. The suspension time shall begin on the date the suspension is requested or on the date of the Wholesale Market Participant's written notice of suspension to Transmission Provider, if no effective date was specified. All milestone dates stated in this Section 3.1 shall be deemed to be extended coextensively with any suspension period permitted pursuant to this provision.

#### **SCHEDULE D**

#### APPLICABLE TECHNICAL REQUIREMENTS AND STANDARDS

All technical requirements detailed in the AB1-174 System Impact Study, February 2016, shall be incorporated herein by reference.

These standards include:

• Customer Guide for the Interconnection of Distributed Resources to the American Electric Power Distribution System, effective September 11, 2014

SPM

These standards can be found on the PJM website at: <a href="http://www.pjm.com/planning/design-engineering/to-tech-standards.aspx">http://www.pjm.com/planning/design-engineering/to-tech-standards.aspx</a>

## SCHEDULE F SCHEDULE OF NON-STANDARD TERMS & CONDITIONS

Not Required.

Spm



1200 G Street, N.W. Suite 600

Washington, D.C. 20005-3802

Phone: 202-393-1200 Fax: 202-393-1240 www.wrightlaw.com

August 26, 2016

Kimberly D. Bose Secretary Federal Energy Regulatory Commission 888 First Street, NE, Room 1A Washington, DC 20426

Re: PJM Interconnection, L.L.C., Docket No. ER16-2494-000

Queue Position AB1-174, Original Service Agreement No. 4515

#### Dear Secretary Bose:

Pursuant to section 205 of the Federal Power Act ("FPA"), and part 35 of the regulations of the Federal Energy Regulatory Commission ("Commission"), PJM Interconnection, L.L.C. ("PJM") submits for filing an executed Wholesale Market Participation Agreement ("WMPA") entered into among PJM, Solar Access Development Group, LLC ("Solar Access") as Wholesale Market Participant, and Ohio Power Company ("AEP") as Transmission Owner, executed on July 27, 2016 ("Solar Access WMPA"). PJM is submitting the Solar Access WMPA for filing because Solar Access intends to engage in wholesale sales in the PJM markets from a generating facility connected to AEP's distribution facilities. PJM requests an effective date of July 27, 2016, for this WMPA, which is designated as Original Service Agreement No. 4515, and attached to this filing. The Solar Access WMPA will facilitate Solar Access' intent to engage in jurisdictional wholesale transactions in the PJM markets, which will originate over the AEP's non-jurisdictional distribution facilities.

As noted in footnote 3, Attachment B to this transmittal letter includes initialed pages to the Solar Access WMPA that reflect agreement to changes made after its

<sup>1</sup> 16 U.S.C. § 824d.

A copy of the Solar Access WMPA is included as Attachment A. Because the WMPA being electronically filed with this transmittal letter contains electronic signatures and not the original signatures of the parties, copies of the sheets containing the original signatures are included as Attachment B to this transmittal letter. Attachment B also contains initials of the parties to changes to the Solar Access WMPA made after its execution.

<sup>&</sup>lt;sup>2</sup> 18 C.F.R. Part 35.

execution. These pages reflect the initials of all parties except AEP because PJM did not receive initialed pages from AEP in time to submit this WMPA to the Commission within the thirty-day period allowed for the filing of service agreements.<sup>4</sup> However, PJM understands that AEP is in the process of initialing these pages, and will supplement this filing once the additional initialed pages are received from AEP.

#### I. Background

#### A. PJM's WMPA Process

On February 22, 2006, the Commission issued the GSG Order,<sup>5</sup> which held that the interconnection of a generator to non-jurisdictional distribution facilities is not, in and of itself, action regulated by the FPA.<sup>6</sup> The Commission further stated that the distribution facilities come under the Commission's jurisdiction once a wholesale transaction occurs on the system.<sup>7</sup> This action would, therefore, render any subsequent interconnection to the relevant distribution facilities Commission-jurisdictional.<sup>8</sup>

PJM routinely receives requests from generation developers seeking to interconnect at a distribution level in order to participate in sales to the PJM markets. Where the relevant facilities are non-jurisdictional (because there exists no previously interconnected generator engaging in wholesale transactions), in light of the GSG Order, PJM developed the WMPA as a contractual means to address these requests and provide to all affected parties a process to enable PJM to properly track and study this category of generator interconnection, as well as to facilitate the generator's participation in PJM's organized wholesale markets. The WMPA also serves to establish important revenue and (if necessary) operational metering requirements in order to give PJM visibility to pay the generator for output and for potential operational security requirements. In rare instances, a non-jurisdictional interconnection could impact the integrated transmission

See 18 C.F.R. § 35.3(a)(2). PJM is requesting an effective date of July 27, 2016, for the Solar Access WMPA and therefore, in accordance with Commission regulations, is submitting it today, which is within the allowed thirty-day filing period.

<sup>&</sup>lt;sup>5</sup> See PJM Interconnection, L.L.C., 114 FERC  $\P$  61,191 (2006) ("GSG Order").

Id. at PP 14-16; see also PJM Interconnection, L.L.C., 116 FERC ¶ 61,102 (2006) (denying rehearing and clarification and noting the FPA denies the Commission jurisdiction "over facilities used in local distribution").

<sup>&</sup>lt;sup>7</sup> GSG Order at P 17.

<sup>&</sup>lt;sup>8</sup> See id. at PP 14, 17.

Honorable Kimberly D. Bose August 26, 2016 Page 3

system. The WMPA process allows PJM to ensure that this contingency is studied and corrected, if necessary.

The Commission has previously accepted a number of WMPAs in earlier filings involving other participants. The instant filing is in the same form as the earlier submittals.<sup>9</sup>

#### **B.** Description of the WMPA

The Solar Access WMPA facilitates Solar Access' participation in PJM's organized wholesale markets via wholesale sales from its 10.0 MW generating facility located in Thornville, Ohio. See Solar Access WMPA, Specifications § 1.0. The Solar Access WMPA indicates that Solar Access shall have Capacity Interconnection Rights in the amount of 6.6 MW. *Id.*, Specifications § 2.1. The Solar Access WMPA states that this 6.6 MW of Capacity Interconnection Rights includes 3.8 MW of Capacity Interconnection Rights granted pursuant to PJM Manual 21, and 2.8 MW granted as a result of Solar Access's request for a 66% capacity factor. *Id.* This section states further that if Solar Access fails to provide adequate data or documentation to support its request for a 66% capacity factor, then its Capacity Interconnection Rights will reduce to 3.8 MW. Id. It further provides for Capacity Interconnection Rights on an interim basis during the time period commencing October 31, 2017, to May 31, 2018 (the "interim time period"), in an amount not to exceed 6.6 MW. Id. Any interim Capacity Interconnection Rights awarded during the interim time period will be dependent upon the completion and results of interim deliverability studies, and will terminate on May 31, 2019. *Id*. <sup>10</sup>

Section 3.1 of the Solar Access WMPA establishes certain project-specific milestones, including the requirement that Solar Access enter into a two-party

See, e.g., PJM Interconnection, L.L.C., Letter Order, Docket No. ER16-1270-000 (Apr. 21, 2016); PJM Interconnection, L.L.C., Letter Order, Docket No. ER16-1133-000 (Apr. 18, 2016); PJM Interconnection, L.L.C., Letter Order, Docket No. ER16-1095-000 (Apr. 4, 2016); PJM Interconnection, L.L.C., Letter Order, Docket No. ER16-1055-000 (Mar. 31, 2016); PJM Interconnection, L.L.C., Letter

Order, Docket No. ER16-600-000 (Feb. 16, 2016).

The Commission has accepted WMPAs with similar provisions. *See PJM Interconnection, L.L.C.*, Letter Order, Docket No. ER16-1837-000 (June 30, 2016); *PJM Interconnection, L.L.C.*, Letter Order, Docket No. ER16-1841-000 (June 30, 2016); *PJM Interconnection, L.L.C.*, Letter Order, Docket No. ER16-1834-000 (June 30, 2016); *PJM Interconnection, L.L.C.*, Letter Order, Docket No. ER16-587-000 (Feb. 16, 2016). The WMPAs accepted in these orders also contained interim Capacity Interconnection Rights similar to those contained in this WMPA.

Honorable Kimberly D. Bose August 26, 2016 Page 4

Interconnection Agreement with AEP and a two-party Construction Agreement with AEP in order to effectuate the WMPA, and a October 31, 2017 deadline by which Solar Access must provide the data or documentation to support the 6.6 MW of Capacity Interconnection Rights. There are no charges or security requirements associated with the Solar Access WMPA. *Id.* § 3.0.

## II. This WMPA Establishes Reasonable Requirements to Enable Wholesale Transactions Subject to the Commission's Jurisdiction

The instant WMPA is filed pursuant to the Commission's jurisdiction under section 205 of the FPA and the Commission's independent jurisdictional authority over wholesale sales of electric energy and related products in PJM's markets. These transactions plainly constitute regulated wholesale transactions pursuant to section 201(b)(1) of the FPA. Under the FPA, the Commission has broad jurisdiction to regulate the wholesale sale of electricity in interstate commerce. As noted above, the transactions will originate over facilities that are not Commission jurisdictional, namely the distribution facilities. In such circumstances, the Commission parses the transaction so as to apply its jurisdiction to only those aspects of the transaction that are Commission jurisdictional. For example, as discussed in Order No. 2003<sup>14</sup> and other orders, the Commission applies this logic to determine jurisdiction over an interconnection on a facility used for both retail and wholesale transactions, by segregating the jurisdictional

The Commission has accepted WMPAs with similar provisions. *See supra* note 10.

Specifically, the FPA applies "to the transmission of electric energy in interstate commerce and to the sale of electric energy at wholesale in interstate commerce." 16 U.S.C. § 824(b)(1).

See 16 U.S.C. § 824d(d) ("Unless the Commission otherwise orders, no change shall be made by any public utility in any such rate, charge, classification, or service, or in any rule, regulation, or contract relating thereto, except after sixty days' notice to the Commission and to the public.").

Standardization of Generator Interconnection Agreements and Procedures, Order No. 2003, 2001-2005 FERC Stats. & Regs., Regs. Preambles ¶ 31,146 (2003), order on reh'g, Order No. 2003-A, 2001-2005 FERC Stats. & Regs., Regs. Preambles ¶ 31,160 (2004), order on reh'g, Order No. 2003-B, 2001-2005 FERC Stats. & Regs., Regs. Preambles ¶ 31,171, order on reh'g, Order No. 2003-C, 2001-2005 FERC Stats. & Regs., Regs. Preambles ¶ 31,190 (2005), aff'd sub nom. Nat'l Ass'n of Regulatory Utils. Comm'rs v. FERC, 475 F.3d 1277 (D.C. Cir. 2007).

transaction from the retail sales. <sup>15</sup> The Commission noted: "[W]here the 'distribution' facilities have a dual use, *i.e.*, the facilities are used for both wholesale sales and retail sales, the Final Rule applies to interconnections to these facilities *only for the purpose of making sales of electric energy for resale in interstate commerce.*" <sup>16</sup> The Commission bifurcates the use of the facility and applies its jurisdiction only to the applicable transaction, the wholesale sale. Here, the generator's use of, and taking of service over, the distribution facilities does not diminish the Commission's independent jurisdiction to regulate the generator's sale of energy and related products in PJM's organized wholesale markets.

This logic is consistently applied in other areas of Commission jurisdiction as well. For example, the Commission applied similar reasoning when it determined it has jurisdiction to require transmission service over non-jurisdictional local distribution facilities in *Tex-La Electric Cooperative of Texas, Inc.*<sup>17</sup> The Commission noted that it retained authority to order transmission service pursuant to section 211 of the FPA<sup>18</sup> regardless of any local distribution function of the facilities involved and "transmission *services* may encompass the use of *facilities* that in other contexts would be classified as distribution facilities." Similarly, in *Laguna Irrigation District*, the Commission noted that wholesale customers should be allowed the protection of section 210 of the FPA<sup>20</sup> based merely on the label attached to the facilities to which they interconnect.<sup>21</sup>

See Order No. 2003 at PP 803-05; see also PJM Interconnection, L.L.C., 116 FERC ¶ 61,102, at P 22 ("Because no wholesale transaction is being conducted on ComEd's distribution facilities, we find there is no Commission-jurisdictional use of the facilities . . . ." Hence, a wholesale transaction would be a jurisdictional use.); Detroit Edison Co. v. FERC, 334 F.3d 48, 51 (D.C. Cir. 2003) (explaining that the Commission has jurisdiction "over all wholesale service," including wholesale transactions that occur over "local distribution" facilities).

Order No. 2003 at P 804; *accord* Order No. 2003-C at P 53.

Tex-La Elec. Coop. of Tex., Inc., 67 FERC ¶ 61,019, at 61,055-56, final order, 69 FERC ¶ 61,269 (1994); see also Laguna Irrigation Dist., 95 FERC ¶ 61,305, at 62,038-39 (2001), aff'd sub nom. Pac. Gas & Elec. Co. v. FERC, 44 Fed. Appx. 170 (9th Cir. 2002).

<sup>&</sup>lt;sup>18</sup> 16 U.S.C. § 824j.

<sup>&</sup>lt;sup>19</sup> *Tex-La Elec. Coop. of Tex., Inc.*, 67 FERC ¶ 61,019, at 61,055-56 n.36 (emphasis added).

<sup>&</sup>lt;sup>20</sup> 16 U.S.C. § 824i.

<sup>&</sup>lt;sup>21</sup> *Laguna Irrigation Dist.*, 95 FERC ¶ 61,305, at 62,038-39.

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Accordingly, since the WMPA addresses the terms and conditions necessary for the generator to make wholesale sales into the PJM markets, PJM applies the same reasoning as detailed above and believes that an agreement enabling such sales (the WMPA) similarly falls within the Commission's jurisdiction.

Should the Commission disagree and decide not to exercise its jurisdiction over the WMPA, PJM will, nonetheless, require execution of the WMPA by similarly-situated generators and transmission owners as a matter of contract. The matters addressed by the WMPA are essential to preserve the continued integrity of PJM's functions as a grid operator and market administrator and, as such, are properly deemed reasonable conditions of entry, like other Regional Transmission Organization membership requirements, for a generator electing to participate in PJM's voluntary markets.

#### III. The WMPA Applies to Wholesale Sales Only

PJM submits the WMPA for filing because the WMPA is a form of agreement not presently contained in either the PJM Open Access Transmission Tariff ("PJM Tariff") or the Amended and Restated Operating Agreement of PJM Interconnection, L.L.C. ("PJM Operating Agreement"). The WMPA applies only to wholesale transactions and is not intended to govern the actual physical interconnection of a generating facility to the distribution system. Therefore, it is immaterial whether the WMPA concerns a new interconnection to a distribution system or a pre-existing interconnection on a distribution system where the preexisting generator subsequently elects to participate in the PJM markets. The WMPA will be initiated for the purpose of facilitating the wholesale sale and not the interconnection. To date, generator market participants connecting to the distribution system have been receptive to the use of the WMPA as a means to facilitate future sales into the PJM markets and to support the state interconnection processes as well. Further, the WMPA allows a vehicle for PJM to examine the potential reliability impacts the interconnection may have on the grid.

As the GSG Order directs, <sup>22</sup> interconnection to the distribution system is not Commission-jurisdictional until wholesale sales begin on the system. Hence, the PJM Tariff would not apply to govern the terms and conditions of the physical interconnection, including the attachment of facilities and terms of use and charges for distribution service needed to afford the generator access to the PJM Transmission System. Again, PJM's interest is to ensure sufficient visibility and, where necessary, control over generation that is participating as a Market Seller <sup>23</sup> under the PJM Operating Agreement. <sup>24</sup>

See GSG Order at P 14.

See PJM Operating Agreement § 1.23 (definition of "Market Seller").

See id., Schedule 1.

#### IV. The WMPA Differs from the ISA in Numerous Important Aspects

The WMPA is designed to have a similar format to the PJM Interconnection Service Agreement ("ISA") in order to provide a manageable and familiar document for the participants. Unlike the ISA, however, the WMPA does not address matters involving the actual physical interconnection of the generator to the distribution system or any terms, conditions or charges related to any service provided by the distribution system to the generator. The WMPA contains many provisions also typically found in an ISA that govern the relationship between the generator and PJM. These provisions establish reasonable and necessary standards and qualifications, such as revenue quality metering, both to enable the generator to participate as a Market Seller in PJM's market and to allow PJM's system operations the necessary visibility to the generator for reliability purposes. However, the WMPA is not an ISA and is not intended as a substitute for an interconnection agreement between the owners of the interconnecting physical facilities.

More specifically, the WMPA differs from the ISA in several key respects. First, the WMPA does not contain any reference to attachment facilities necessary for the interconnection. The WMPA also does not reference network upgrades for the interconnection to the distribution facility. In limited circumstances, the Feasibility Study and/or the System Impact Study may conclude that there is a significant impact to other jurisdictional interconnections that are located on the nearest transmission system, or a possible impact to facilities that are located on a nearby Commission-jurisdictional distribution facility. If this were the case, the interconnecting generator could be required to fund network upgrades on the corresponding jurisdictional systems only. In the event additional upgrades were needed, the WMPA contains proposed language concerning "Responsibility for Network or Local Upgrades" in Article 3 of the WMPA. At the discretion of the parties, they may simply mark this section as "not applicable" or delete the section from the WMPA in its entirety when this contract language is inapplicable (as it will be in the majority of cases).

Generally, the WMPA does not contain security requirements (with the limited exception as explained above), or construction requirements. The WMPA also makes no reference to reactive power requirements, and construction of transmission owner interconnection facilities. These are the key components of the ISA that are not included in the WMPA because these ISA components are not relevant to the wholesale transactions.

#### V. Waiver and Effective Date

PJM requests that the Commission grant any and all waivers of the Commission's rules and regulations that are necessary for acceptance of this filing and the enclosed WMPA. Additionally, PJM requests a waiver of the Commission's 60-day prior notice requirement to allow an effective date of July 27, 2016, for the Solar Access WMPA, as set forth in section 1.1 thereof. Waiver is appropriate because this effective date is

consistent with the intent of the parties, as set forth in section 1.1 of the Solar Access WMPA.<sup>25</sup> Furthermore, the requested waiver is limited in scope and will result in no harm to third parties. Moreover, the Commission has allowed waivers of its prior notice requirements when a supported by the facts that the filing is uncontested and does not change rates,<sup>26</sup> and should do the same here. PJM also notes that, as there are no charges or security requirements associated with the Solar Access WMPA or monies collected pursuant to this agreement, *see* Solar Access WMPA § 3.0, time-value refunds are not required.<sup>27</sup> The Commission has granted similar waivers for other filings involving WMPAs.<sup>28</sup>

#### VI. Documents Enclosed

PJM encloses the following:

- 1. This Transmittal Letter;
- 2. Attachment A: Original Service Agreement No. 4515; and
- 3. Attachment B: Copies of Sheets Containing Original Signatures and Initials.

#### VII. Service

Copies of this filing have been served upon the parties, Solar Access and AEP, as well as on the affected state utility commission(s) within the PJM region.

If the Commission does not allow a July 27, 2016 effective date, PJM requests that the Commission grant the earliest effective date possible, and no later than August 27, 2016, one day after this filing. The Commission has allowed jurisdictional agreements to become effective one day after filing. See Palo Duro Wind Interconnection Servs., LLC, 149 FERC ¶ 61,205, at P 9 (2014); Midcontinent Indep. Sys. Operator, Inc., 145 FERC ¶ 61,032, at P 49 (2013).

See ISO New England, Inc., 116 FERC ¶ 61,308, at P 8 (2006); see also Cent. Hudson Gas & Elec. Corp., 60 FERC ¶ 61,106, at 61,338 (1992) (waiving prior notice requirement when uncontested filings do not change rates).

<sup>&</sup>lt;sup>27</sup> See ITC Midwest LLC, 138 FERC ¶ 61,105, at P 14 (2012); see also Lake Benton Power Partners LLC, 146 FERC ¶ 61,095, at P 7 (2014).

See supra note 10.

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#### **VIII.** Correspondence and Communications

All notices, communications or correspondence addressed to PJM regarding this matter should be directed to, and PJM requests that the Secretary include on the Commission's official service list, the following: <sup>29</sup>

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

Steven R. Pincus Associate General Counsel PJM Interconnection, L.L.C. 2750 Monroe Boulevard Audubon, PA 19403 (610) 666-4370 (phone) (610) 666-4281 (fax) steven.pincus@pim.com Carrie L. Bumgarner
David S. Berman
Wright & Talisman, P.C.
1200 G Street, N.W., Suite 600
Washington, DC 20005
(202) 393-1200 (phone)
(202) 393-1240 (fax)
bumgarner@wrightlaw.com
berman@wrightlaw.com

To the extent necessary, PJM requests waiver of Rule 203(b)(3) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.203(b)(3), to permit all of the persons listed to be placed on the official service list for this proceeding.

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#### IX. Conclusion

For the foregoing reasons, PJM requests that the Commission accept the Solar Access WMPA with an effective date of July 27, 2016.

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

Steven R. Pincus Associate General Counsel PJM Interconnection, L.L.C. 2750 Monroe Boulevard Audubon, PA 19403 (610) 666-4370 (phone) (610) 666-4281 (fax) steven.pincus@pim.com Respectfully submitted,

/s/ David S. Berman
Carrie L. Bumgarner
David S. Berman
Wright & Talisman, P.C.
1200 G Street, N.W., Suite 600
Washington, DC 20005
(202) 393-1200 (phone)
(202) 393-1240 (fax)
bumgarner@wrightlaw.com
berman@wrightlaw.com

Counsel for PJM Interconnection, L.L.C.

#### (PJM Queue #AB1-174)

# WHOLESALE MARKET PARTICIPATION AGREEMENT Among PJM INTERCONNECTION, L.L.C. And Solar Access Development Group LLC And Ohio Power Company

#### WHOLESALE MARKET PARTICIPATION AGREEMENT

By and Among
PJM Interconnection, L.L.C.
And
Solar Access Development Group LLC
And
Ohio Power Company
(PJM Queue Position #AB1-174)

This Wholesale Market Participation Agreement ("WMPA") including the Specifications, and Schedules attached hereto and incorporated herein, is entered into in order to effectuate sales of energy and/or capacity into PJM's wholesale markets, by and between PJM Interconnection, L.L.C., the Regional Transmission Organization for the PJM Region ("Transmission Provider"), Solar Access Development Group LLC ("Wholesale Market Participant" and Ohio Power Company ("Transmission Owner" or "AEP") (referred to individually as "Party" or collectively as "the Parties").

#### WITNESSETH

WHEREAS, Wholesale Market Participant is developing generation that it intends to use to engage in Wholesale Transactions in PJM's markets and desires to maintain its proposed generation in the queue that PJM studies for potential reliability impacts to the Transmission System;

WHEREAS, Wholesale Market Participant is seeking to interconnect at a local distribution or sub-transmission facility, which at this time is not subject to FERC jurisdiction; and

WHEREAS, Wholesale Market Participant and Transmission Owner or its affiliate must enter into a separate two-party interconnection agreement ("Interconnection Agreement") in order to address issues of physical interconnection and local charges that may be presented by the interconnection of Wholesale Market Participant's generation to the distribution facility.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, together with other good and valuable consideration, the receipt and sufficiency is hereby mutually acknowledged by Transmission Provider, Transmission Owner and Wholesale Market Participant and the parties agree to assume all of the rights and obligations consistent with the rights and obligations relating to Network Upgrades, Local Upgrades and metering requirements set forth in Part VI of the Tariff, as of the effective date of this WMPA, required for Wholesale Market Participant to make Wholesale Transactions in PJM's markets. The Parties mutually covenant and agree as follows:

#### **Article 1 – DEFINITIONS and OTHER DOCUMENTS**

- **1.0 Defined Terms.** All capitalized terms herein shall have the meanings as set forth in the definitions of such terms as stated in Part I, Article 1 or Part VI of the PJM Open Access Transmission Tariff ("Tariff"), except Wholesale Market Participant which shall be defined in this WMPA as a participant in a Wholesale Transaction.
- Parties, or, if this WMPA is filed with FERC unexecuted, upon the date specified by FERC. This WMPA shall terminate on such date as mutually agreed upon by the parties, unless earlier terminated consistent with Section 1 in Attachment O, Appendix 2, Part VI of the Tariff.
- **1.2 Assumption of Tariff Obligations.** Wholesale Market Participant agrees to abide by all rules and procedures pertaining to generation and transmission in the PJM Region, including but not limited to the rules and procedures concerning the dispatch of generation or scheduling transmission set forth in the Tariff, the Operating Agreement and the PJM Manuals.
- **1.3 Incorporation Of Other Documents.** All portions of the Tariff and the Operating Agreement pertinent to the subject matter of this WMPA and not otherwise made a part hereof are hereby incorporated herein and made a part hereof.

#### **Article 2 - NOTICES and MISCELLANEOUS**

**2.0 Notices.** Any notice, demand or request required or permitted to be given by any Party to another and any instrument required or permitted to be tendered or delivered by any Party in writing to another may be so given, tendered or delivered by recognized national courier or by depositing the same with the United States Postal Service, with postage prepaid for delivery by certified or registered mail addressed to the Party, or by personal delivery to the Party, at the address specified below. Such notices, if agreed to by the Parties, may be made via electronic means, with e-mail confirmation of delivery.

Transmission Provider:

PJM Interconnection, L.L.C. 2750 Monroe Blvd. Audubon, PA 19403-2497

Wholesale Market Participant:

Solar Access Development Group LLC 7131 Gateway Court Manassas, VA 20109 Attn: Mark Pearson

#### Transmission Owner:

Ohio Power Company 700 Morrison Road – 3<sup>rd</sup> Floor Gahanna, OH 43230 Attn: Wade Smith

With copies to: Associate General Counsel –Transactions American Electric Power Service Corporation 1 Riverside Plaza – 29th Floor Columbus, OH 43215

Either Party may change its address or designated representative for notice by notice to the other Parties in the manner provided for above.

- **2.1 Construction With Other Parts Of The Tariff.** This WMPA shall not be construed as an application for service under Part II or Part III of the Tariff.
- 2.2 Warranty for System Impact Study. In analyzing and preparing the System Impact Study, and in designing and constructing the Local Upgrades and/or Network Upgrades described in Part II of the Tariff and in the Specifications attached to this WMPA, Transmission Provider, the Transmission Owner(s), and any other subcontractors employed by Transmission Provider have had to, and shall have to, rely on information provided by Wholesale Market Participant and possibly by third parties and may not have control over the accuracy of such information. Accordingly, NEITHER TRANSMISSION PROVIDER, THE TRANSMISSION OWNER(s), NOR ANY OTHER SUBCONTRACTORS EMPLOYED BY TRANSMISSION PROVIDER OR TRANSMISSION OWNER MAKES ANY WARRANTIES, EXPRESS OR IMPLIED, WHETHER ARISING BY OPERATION OF LAW, COURSE OF PERFORMANCE OR DEALING, CUSTOM, USAGE IN THE TRADE OR PROFESSION, OR OTHERWISE, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH REGARD TO THE ACCURACY, CONTENT, OR CONCLUSIONS OF THE FACILITIES STUDY OR THE SYSTEM IMPACT STUDY IF A FACILITIES STUDY WAS NOT REQUIRED OR OF THE LOCAL UPGRADES AND/OR THE NETWORK UPGRADES, PROVIDED, HOWEVER, that Transmission Provider warrants that the Transmission Owner Facilities described in the Specifications will be designed and constructed (to the extent that Transmission Owner is responsible for design and construction thereof) and operated in accordance with Good Utility Practice, as such term is defined in the Operating Agreement. Wholesale Market Participant acknowledges that it has not relied on any representations or warranties not specifically set forth herein and that no such representations or warranties have formed the basis of its bargain hereunder.
- **2.3 Waiver.** No waiver by any party of one or more defaults by the other in performance of any of the provisions of this WMPA shall operate or be construed as a waiver of any other or further default or defaults, whether of a like or different character.

- **2.4 Amendment.** This WMPA or any part thereof, may not be amended, modified, or waived other than by a written document signed by all parties hereto.
- 2.5 Addendum of Wholesale Market Participant's Agreement to Conform with IRS Safe Harbor Provisions for Non-Taxable Status. To the extent required, in accordance with Section 24.1 in Attachment O, Appendix 2 in Part VI of the Tariff, Schedule E to this WMPA shall set forth the Wholesale Market Participant's agreement to conform with the IRS safe harbor provisions for non-taxable status.

#### 2.6 Assignment

#### **2.6.1** Assignment with Prior Consent:

If the Interconnection Agreement between the Wholesale Market Participant and the Transmission Owner, as referenced in section 3.1.4 herein, provides that such Interconnection Agreement may be assigned, and such Interconnection Agreement was assigned, then, except as provided in Section 2.6.2 of this WMPA, no Party shall assign its rights or delegate its duties under this WMPA without the prior written consent of the other Parties, which consent shall not be unreasonably withheld, conditioned, or delayed; and any such assignment or delegation made without such prior written consent shall be null and void. A Party may make an assignment in connection with the sale, merger, or transfer of all of its properties, including the Participant Facility, which it owns, so long as the assignee in such a sale, merger, or transfer assumes in writing all rights, duties and obligations arising under this WMPA. In addition, the Transmission Owner shall be entitled, subject to applicable laws and regulations, to assign the WMPA to an Affiliate or successor that owns and operates all or a substantial portion of the Transmission Owner's transmission facilities.

#### 2.6.2 Assignment without Prior Consent

#### **2.6.2.1** Assignment to Owners:

If the Interconnection Agreement between the Wholesale Market Participant and the Transmission Owner, as referenced in section 3.1.4 herein, provides that such Interconnection Agreement may be assigned, and such Interconnection Agreement was assigned, then the Wholesale Market Participant may assign its rights or delegate its duties under this WMPA without the Transmission Owner's or Transmission Provider's prior consent to any Affiliate or person that purchases or otherwise acquires, directly or indirectly, all of the Participant Facility, provided that prior to the effective date of any such assignment: (1) the assignee shall demonstrate that, as of the effective date of the assignment, the assignee has the technical and operational competence to comply with the requirements of this WMPA; and (2) in writing to the Transmission Owner and Transmission Provider, assignee assumes all rights, duties, and obligations of Wholesale Market Participant arising under this WMPA. However, any assignment described herein shall not relieve or discharge the Wholesale Market Participant from any of its

obligations hereunder absent the written consent of the Transmission Provider, such consent not to be unreasonably withheld, conditioned or delayed.

#### 2.6.2.2 Assignment to Lenders:

If the Interconnection Agreement between the Wholesale Market Participant and the Transmission Owner, as referenced in section 3.1.4 herein, provides that such Interconnection Agreement may be assigned to any Project Finance Entity(ies), and such Interconnection Agreement was assigned, then the Wholesale Market Participant may, without consent of the Transmission Provider or the Transmission Owner, assign this WMPA to such Project Finance Entity(ies), provided that such assignment does not alter or diminish Wholesale Market Participant's duties and obligations under this WMPA. If Wholesale Market Participant provides the Transmission Owner and Transmission Provider with notice of an assignment to such Project Finance Entity(ies) and identifies such Project Finance Entity(ies) as a contact for notice of Breach pursuant to section 1.1 herein, the Transmission Provider or Transmission Owner shall provide notice and reasonable opportunity for such Project Finance Entity(ies) to cure any Breach under this WMPA in accordance with this WMPA. Transmission Provider or Transmission Owner shall, if requested by such Project Finance Entity(ies), provide such customary and reasonable documents, including consents to assignment, as may be reasonably requested with respect to the assignment and status of this WMPA, provided that such documents do not alter or diminish the rights of the Transmission Provider or Transmission Owner under this WMPA, except with respect to providing notice of Breach pursuant to section 1.1 of this WMPA, to such Project Finance Entity(ies). Upon presentation of the Transmission Provider and/or Transmission Owner's invoice therefor, Wholesale Market Participant shall pay the Transmission Provider and/or the Transmission Owner's reasonable documented cost of providing such documents and certificates as requested by such Project Finance Entity(ies). Any assignment described herein shall not relieve or discharge the Wholesale Market Participant from any of its obligations hereunder absent the written consent of the Transmission Owner and Transmission Provider.

#### 2.6.3 Successors and Assigns:

This WMPA and all of its provisions are binding upon, and inure to the benefit of, the Parties and their respective successors and permitted assigns.

#### **ARTICLE 3 – Responsibility for Network or Local Upgrades**

**3.0 Security for Network or Local Upgrades.** Consistent with Section 212.4 in Part VI of the Tariff, Wholesale Market Participant, on or before the effective date of this WMPA, shall provide the Transmission Provider (for the benefit of the Transmission Owner) with a letter of credit from an agreed provider or other form of security reasonably acceptable

to the Transmission Provider and that names the Transmission Provider as beneficiary ("Security") in the amount of \$0. This amount represents the sum of the estimated Costs, determined consistent with Section 217 in Part VI of the Tariff, of (i) the Local Upgrades and/or Network Upgrades described in Section 3.4 of this WMPA less any Costs already paid by the Wholesale Market Participant. Should Wholesale Market Participant fail to provide Security in the amount or form required in the first sentence of this Section, this WMPA shall be terminated. Wholesale Market Participant acknowledges that its ultimate cost responsibility consistent with Section 217 in Part VI of the Tariff will be based upon the actual Costs of the facilities described in the Specifications to this WMPA, whether greater or lesser than the amount of the Security provided under this Section.

- **3.1 Project Specific Milestones**. During the term of this WMPA, Wholesale Market Participant shall ensure that it meets each of the following milestones:
  - 3.1.1 Increased Capacity Interconnection Rights Data and Documentation. On or before October 31, 2017 Wholesale Market Participant must provide to Transmission Provider data and documentation supporting Wholesale Market Participant's request for Capacity Interconnection Rights (CIRs) in the amount of 6.6 MW. If the data and/or documentation is not provided to the Transmission Provider, or if the Transmission Provider does not approve the submitted data and/or documentation, then the project's capacity Wholesale Market Participant's Capacity Interconnection Rights will reduce to 3.8 MW.
  - **3.1.2** Substantial Site work completed. On or before April 30, 2017, Wholesale Market Participant must demonstrate completion of at least 20% of project site construction.
  - **3.1.3 Commercial Operation.** (i) On or before October 31, 2017, Wholesale Market Participant must demonstrate commercial operation of all generating units; (ii) On or before November 30, 2017, Wholesale Market Participant must demonstrate commercial sale or use of energy and, if applicable obtain capacity qualification consistent with the requirements of the Reliability Assurance Agreement Among Load Serving Entities in the PJM Region.
  - **3.1.4 Documentation.** Within one (1) month following commercial operation of generating unit(s), Wholesale Market Participant must provide certified documentation demonstrating that "as-built" Participant Facility are consistent with applicable PJM studies and agreements. Wholesale Market Participant must also provide PJM with "as-built" electrical modeling data or confirm that previously submitted data remains valid.

- **3.1.5 Interconnection Agreement.** On or before March 1, 2017, Wholesale Market Participant must enter into an Interconnection Agreement with the Transmission Owner in order to effectuate the WMPA.
- **3.1.6** Construction Agreement. On or before October 1, 2016, Wholesale Market Participant must enter into a construction agreement with the Transmission Owner in order to effectuate the WMPA.

Wholesale Market Participant shall demonstrate the occurrence of each of the foregoing milestones to Transmission Provider's reasonable satisfaction. Transmission Provider may reasonably extend any such milestone dates, in the event of delays that Wholesale Market Participant (i) did not cause and (ii) could not have remedied through the exercise of due diligence.

If (i) the Wholesale Market Participant suspends work pursuant to a suspension provision contained in an interconnection and/or construction agreement with the Transmission Owner or (ii) the Transmission Owner extends the date by which Wholesale Market Participant must enter into an interconnection agreement relative to this WMPA, and (iii) the Wholesale Market Participant has not made a wholesale sale under this WMPA, the Wholesale Market Participant may suspend this WMPA by notifying the Transmission Provider and the Transmission Owner in writing that it wishes to suspend this WMPA, with the condition that, notwithstanding such suspension, the Transmission System shall be left in a safe and reliable condition in accordance with Good Utility Practice and Transmission Provider's safety and reliability criteria. Wholesale Market Participant's notice of suspension shall include an estimated duration of the suspension period and other information related to the suspension. Pursuant to this section 3.1, Wholesale Market Participant may request one or more suspensions of work under this WMPA for a cumulative period of up to a maximum of three years. If, however, the suspension will result in a Material Modification as defined in Part I, Section 1.18A.02 of the Tariff, then such suspension period shall be no greater than one (1) year. If the Wholesale Market Participant suspends this WMPA pursuant to this Section 3.1 and has not provided written notice that it will exit such suspension on or before the expiration of the suspension period described herein, this WMPA shall be deemed terminated as of the end of such suspension period. The suspension time shall begin on the date the suspension is requested or on the date of the Wholesale Market Participant's written notice of suspension to Transmission Provider, if no effective date was specified. All milestone dates stated in this Section 3.1 shall be deemed to be extended coextensively with any suspension period permitted pursuant to this provision.

IN WITNESS WHEREOF, Transmission Provider, Wholesale Market Participant and Transmission Owner have caused this WMPA to be executed by their respective authorized officials. By each individual signing below, each represents to the other that they are duly authorized to sign on behalf of their company and have the actual and/or apparent authority to bind the respective company to this WMPA.

(PJM Queue #AB1-174)

By: Name	Title	7.27.16 Date
rinted name of signer:	Manager, Interconnection Projects David M. Egan	
/holesale Market Participan	t: Solar Access Development Group LLC	
y:		
Name	Title	Date
rinted name of signer:		
ransmission Owner: Ohio	Power Company	
By:	8	
Name	Title	Date

IN WITNESS WHEREOF, Transmission Provider, Wholesale Market Participant and Transmission Owner have caused this WMPA to be executed by their respective authorized officials. By each individual signing below, each represents to the other that they are duly authorized to sign on behalf of their company and have the actual and/or apparent authority to bind the respective company to this WMPA.

(PJM Queue #ABI-1/4)		
Transmission Provider: PJM Interco	onnection, L.L.C.	
By:Name	Title	Date
Printed name of signer:		
Wholesale Market Participant: Solar By:	r Access Development Group LLC	5/16/2016
Name	Title	Date
Printed name of signer: Mork	Pearson	
Transmission Owner: Ohio Power	Company	
Ву:		
Name	Title	Date
Printed name of signer:		

IN WITNESS WHEREOF, Transmission Provider, Wholesale Market Participant and Transmission Owner have caused this WMPA to be executed by their respective authorized officials. By each individual signing below, each represents to the other that they are duly authorized to sign on behalf of their company and have the actual and/or apparent authority to bind the respective company to this WMPA.

(PJM Queue #AB1-174)		
Transmission Provider: P.	JM Interconnection, L.L.C.	9
By:Name	Title	Date
Printed name of signer:		
Wholesale Market Particip	pant: Solar Access Developmen	nt Group LLC
Ву:		
Name	Title	Date
Printed name of signer:		40
Transmission Owner: Oh	io Power Company	
By: \ 10 7	Project Services of An Title Power Services of An	merican Electric
Name	Title Power Service agent for Ov	Corporation, Date
D: 4 1 6:	er: Scott P. Moore	- Pactry

#### SPECIFICATIONS FOR WHOLESALE MARKET PARTICIPATION AGREEMENT By and Among

PJM INTERCONNECTION, L.L.C.

And

**Solar Access Development Group LLC** 

And

Ohio Power Company (PJM Queue Position #AB1-174)

**1.0 Description of generating unit(s)** (the "Participant Facility") to be used for the provision of wholesale sales into the PJM markets:

a. Name of Participant Facility:

Thornville 12 kV

b. Location of Participant Facility:

Honey Creek Rd. and Shoreline Dr. Thornville OH. 43076

c. Size in megawatts of Participant Facility:

Maximum Facility Output of 10.0 MW

d. Description of the equipment configuration:

A ground mounted, inverter based, solar photovoltaic generating facility consisting of solar arrays and a 12 kV high side transformer

#### 2.0 Rights for Generation Wholesale Market Participant

#### 2.1 Capacity Interconnection Rights:

Consistent with the applicable terms of the Tariff, the Wholesale Market Participant shall have Capacity Interconnection Rights at the point(s) of interconnection specified in Schedule A of this Wholesale Market Participant Agreement in the amount of 6.6 MW.

The amount of Capacity Interconnection Rights specified above (6.6 MW) includes 3.8 MW of Capacity Interconnection Rights granted pursuant to PJM Manual 21, Appendix B, Calculating Capacity Values for Intermittent Capacity Resources, and 2.8 MW granted as a result of Wholesale Market Participant's request for a 66% capacity factor. If the Wholesale Market Participant fails to provide the required data and documentation or if the Transmission Provider does not approve the submitted data and/or documentation as set forth in Section 3.1 of this Wholesale Market Participant Agreement to support Wholesale Market Participant's request for a 66% capacity factor, then the Wholesale Market Participant's Capacity Interconnection Rights will reduce to 3.8 MW.

Pursuant to and subject to the applicable terms of the Tariff, the Wholesale Market Participant shall have Capacity Interconnection Rights at the Point(s) of Interconnection specified in this Wholesale Market Participation Agreement in the amount of 6.6 MW commencing October 31, 2017. During the time period from the effective date of this WMPA until May 31, 2018 (the "interim time period"), the Wholesale Market Participant may be awarded interim Capacity Interconnection Rights in an amount not to exceed 6.6 MW. The availability and amount of such interim Capacity Interconnection Rights shall be dependent upon completion and results of an interim deliverability study. Any interim Capacity Interconnection Rights awarded during the interim time period shall terminate on May 31, 2018.

To the extent that any portion of the Participant Facility described in Section 1.0 is not a Capacity Resource with Capacity Interconnection Rights, such portion of the Participant Facility shall be an Energy Resource. Pursuant to this WMPA, the Wholesale Market Participant may sell energy into PJM's markets in an amount equal to the Participant Facility's Maximum Facility Output indicated in Section 1.0c of the Specifications for this WMPA. PJM reserves the right to limit injections in the event reliability would be affected by output greater than such quantity.

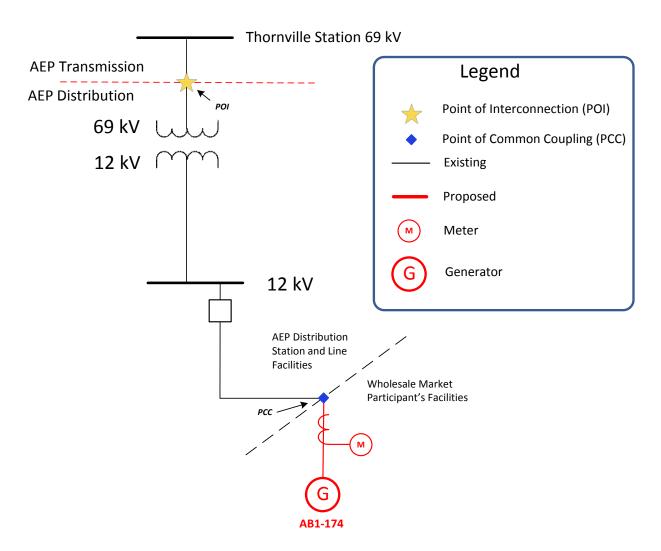
**3.0 Ownership and Location of Metering Equipment.** The metering equipment to be constructed, the capability of the metering equipment to be constructed, and the ownership thereof, as required for the Wholesale Transactions shall be identified on the attached Schedule B to this WMPA, and provided consistent with the PJM manuals.

#### **SCHEDULES:**

- SCHEDULE A SINGLE-LINE DIAGRAM (Showing point of interconnection)
- SCHEDULE B LIST OF METERING EQUIPMENT
- SCHEDULE C LIST OF LOCAL/NETWORK UPGRADES
- SCHEDULE D APPLICABLE TECHNICAL REQUIREMENTS AND STANDARDS
- SCHEDULE E WHOLESALE MARKET PARTICIPANT AGREEMENT TO CONFORM WITH IRS SAFE HARBOR PROVISIONS FOR NON-TAXABLE STATUS
- SCHEDULE F –SCHEDULE OF NON-STANDARD TERMS & CONDITIONS

#### **SCHEDULE A**

#### **SINGLE-LINE DIAGRAM**



The Point of Interconnection with the AEP transmission system is at Transmission Owner's Thornville Station at the Transmission Owner's 69 kV disconnect switch. The point of common coupling (PCC) with the local distribution system is just south of AEP pole number 40820674C30008 at AEP's distribution primary meter facility on the Wholesale Market Participant's premise..

#### **SCHEDULE B**

#### LIST OF METERING EQUIPMENT

The Wholesale Market Participant will be required to install telemetry and communication equipment to provide real-time telemetry data to PJM as well as having the ability to receive and respond to PJM operational command and control signals. The requirements for this equipment are listed in Appendix 2, Section 8 of Attachment O to the PJM Tariff, as well as PJM Manuals 01 and 14D.

The Wholesale Market Participant will also be required to comply with all AEP Metering and Telecommunication Requirements, if any, as determined in the two-party Interconnection Agreement between the Wholesale Market Participant and Ohio Power Company.

Transmission Owner will submit all real and reactive power generation data to PJM as per PJM Manual 14 D.

#### **SCHEDULE C**

### LIST OF LOCAL/NETWORK UPGRADES

Not Required.

#### **SCHEDULE D**

#### APPLICABLE TECHNICAL REQUIREMENTS AND STANDARDS

All technical requirements detailed in the AB1-174 System Impact Study, February 2016, shall be incorporated herein by reference.

These standards include:

• Customer Guide for the Interconnection of Distributed Resources to the American Electric Power Distribution System, effective September 11, 2014

These standards can be found on the PJM website at: <a href="http://www.pjm.com/planning/design-engineering/to-tech-standards.aspx">http://www.pjm.com/planning/design-engineering/to-tech-standards.aspx</a>

## SCHEDULE E WHOLESALE MARKET PARTICIPANT'S AGREEMENT TO CONFORM WITH IRS SAFE HARBOR PROVISIONS FOR NON-TAXABLE STATUS

Not Required.

## SCHEDULE F SCHEDULE OF NON-STANDARD TERMS & CONDITIONS

Not Required.