

**<sup>1</sup>UNITED STATES OF AMERICA**  
**BEFORE THE**  
**FEDERAL ENERGY REGULATORY COMMISSION**

PJM Interconnection, L.L.C.

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Docket No. ER19-2722-000

**MOTION FOR LEAVE TO FILE COMMENTS OUT OF TIME AND**  
**COMMENTS OF THE ORGANIZATION OF PJM STATES, INC.**

Pursuant to Rules 211 and 212 of the Federal Energy Regulatory Commission’s (“Commission”) Rules of Practice and Procedure,<sup>2</sup> and the Notice of Filing issued August 30, 2019, establishing September 20, 2019 as the deadline for comments and protest in the above-captioned docket, the Organization of PJM States, Inc. (“OPSI”) respectfully submits the following motion for leave to file comments out of time and comments addressing the compliance filing submitted by the PJM Interconnection, L.L.C. (“PJM”) on August 30, 2019 (“August 30 Filing”) in response to Commission’s April 18, 2019 order directing PJM to implement fast start pricing (“April 18 Order” or “Order”).

PJM’s August 30 Filing proposes implementing the Commission’s April 18 Order in a manner that also impacts market components other than those reflected in the Order, resulting in consequences that were not addressed by the Commission. PJM’s proposed changes to those other

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<sup>1</sup> Approved on October 2, 2019, and adopted by OPSI’s Board of Directors: Vote: Yes: Delaware PSC, PSC of District of Columbia, Kentucky PSC, Maryland PSC, Michigan PSC, New Jersey BPU, PUC Ohio, Pennsylvania PUC, North Carolina UC, Tennessee PUC, and Virginia SCC; Opposed: Illinois CC; Abstain: Indiana URC

<sup>2</sup> 18 C.F.R. § 385.211 and 18 C.F.R. § 385.212.

market components lack any transparent analysis of any potential adverse impacts on PJM's markets, market participants and ratepayers. As such, PJM has not met its burden of proof that its proposed Tariff changes are just and reasonable. Therefore, the Commission should reject PJM's filing as deficient, and require a PJM response addressing these impacts on other markets.

### ***I. MOTION FOR LEAVE TO FILE OUT OF TIME***

Pursuant to Rule 212 of the Commission's Rules of Practice and Procedure, OPSI hereby submits this motion for leave to file comments out of time regarding PJM's filing. Although the Commission's Notice indicates that protests and comments were due by September 20, 2019, given the challenges in coordinating among multiple state commissions' administrative schedules within the comment period, OPSI respectfully requests the Commission accept this motion. The Commission may allow an untimely response where there is no showing of any undue prejudice or delay.<sup>3</sup> With these comments, OPSI does not wish to disrupt or delay the proceedings. Rather, OPSI wishes to identify concerns that may be useful to the Commission in its decision making process. OPSI submits that its comments will help the Commission in its deliberations and are in the public interest. Therefore, and particularly in light of the significance to OPSI states of the Commission's potential outcome in this proceeding, good cause exists to grant this motion for leave to comment.<sup>4</sup> Accordingly, OPSI hereby moves the Commission for leave to file and respectfully requests the Commission accept these comments and give them due consideration.

### ***II. COMMENTS***

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<sup>3</sup> See *North Carolina Municipal Power Agency* No. 1, 50 FERC ¶ 61,138 (1987).

<sup>4</sup> See *Trans Alaska Pipeline System, et al.*, 104 FERC ¶ 61,201, at 61,706 (2003); *Natural Gas Pipeline Company of America*, 66 FERC ¶ 61,310 (1994) (motions granted for good cause shown).

PJM’s August 30 Filing purports to implement the Commission’s April 18 Order, but it also collaterally impacts market components other than those directly related to fast start resource pricing (*e.g.* reserve pricing). As such, PJM’s filing is not in compliance with the April 18 Order, but instead includes adjustments to other, non-fast start resource market components. Whether exercising “latitude in details of the design”<sup>5</sup> or implementing facets of market design that are “beyond the scope of compliance with the Fast Start Order,”<sup>6</sup> making changes to other non-fast start market components to make them conform to the effects of pricing fast start resources, absent more analysis than has been demonstrated, is not just and reasonable. More thorough analyses are needed to determine the overall impact these proposed changes may have on PJM’s other markets, market participants, and ratepayers. These analyses should also address the prospect for exercising market power<sup>7</sup> or market manipulation through virtual transactions, as the PJM Independent Market Monitor observes.<sup>8</sup>

PJM likely recognized that its August 30 Filing is not a “traditional” compliance filing. This is evident in PJM’s unusual request for Commission review and acceptance of its approach—*first discussed in its compliance filing*—prior to implementation of its proposed compliance measures. OPSI submits that it is improper to propose Tariff changes that were neither presented by PJM in its previous filings in this case nor addressed by the Commission in its Order, particularly absent seeking clarification of the Commission’s August 18 Order. Therefore, OPSI requests the Commission reject the August 30 Filing as deficient in order to allow additional time

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<sup>5</sup> *PJM Interconnection, L.L.C.*, Docket No. EL18-34-000 and ER19-2722-000 Compliance Filing Concerning the Pricing of Fast-Start Resources, August 30, 2019, at 1.

<sup>6</sup> *PJM Interconnection, L.L.C.*, ER19-2722-000, Comments of the Independent Market Monitor for PJM (“IMM Comments”), September 17, 2019, at 5.

<sup>7</sup> See August 30 Filing at 15. PJM indicates that the three pivotal supplier test is not executed in the pricing run.

<sup>8</sup> IMM Comments at 4.

for a more thorough and transparent analysis prior to consideration of PJM's compliance filing in this matter.

### ***III.* CONCLUSION**

OPSI respectfully requests that the Commission accept these comments out of time and afford them due consideration.

Respectfully Submitted,

**/s/ Gregory V. Carmean**  
Executive Director

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Dated: October 2, 2019

### **CERTIFICATE OF SERVICE**

I hereby certify that the foregoing has been served in accordance with 18 C.F.R. Section 385.2010 upon each person designated on the official service list compiled by the Secretary in this proceeding.

**s/s Gregory V. Carmean**

Executive Director

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Dated at Newark, Delaware this October 2, 2019.

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