UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

Building for the Future Through Electric)	
Regional Transmission Planning and)	Docket No. RM21-17-000
Cost Allocation)	

JOINT MOTION FOR EXTENSION OF TIME

Pursuant to Rules 212 and 2008 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission ("FERC" or the "Commission")¹ and Order No. 1920-A,² the PJM Area Relevant State Entities Committee ("PARSEC")³ and the PJM Transmission Owners,⁴ submit this joint motion for an extension to the Engagement Period and deadline for the PJM Transmission Owners to file one or more *ex ante* Long-Term Regional Transmission Cost Allocation Methods to allocate the costs of Long-Term Regional Transmission Facilities. The PARSEC respectfully requests that the Commission extend the Engagement Period between the PJM Transmission Owners and the PARSEC by six months. To accommodate PARSEC's request for extension of the Engagement Period, the PJM Transmission Owners request a corresponding six-month extension to the compliance deadline for submitting one or more *ex ante* Long-Term Regional Transmission Cost Allocation Methods, extending the deadline to December 12, 2025.

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¹ 18 C.F.R. §§ 385.212 and 385.2008.

² Building for the Future Through Electric Regional Transmission Planning and Cost Allocation and Generator Interconnection, 189 FERC ¶ 61,126, PP 677-678 (2024) ("Order No. 1920-A").

³ The PARSEC is a group of Relevant State Entities ("RSEs") responsible for electric utility regulation or siting electric transmission facilities within the PJM region as defined in Order Nos. 1920 and 1920-A. The PARSEC approved this motion pursuant to its Charter on January 23, 2025. The Kentucky State Board on Electric Generation and Transmission Siting abstained in the vote on this filing.

⁴ See PJM, Open Access Transmission Tariff, § 9, Regulatory Filings. Because the PJM Transmission Owners have Federal Power Act § 205 filing rights over the cost allocation provisions of PJM's Open Access Transmission Tariff, they are the transmission provider responsible for the compliance filing to amend PJM's Tariff in accordance with the cost allocation requirements of Order Nos. 1920 and 1920-A.

Granting this extension would allow the PJM Transmission Owners to make their cost allocation compliance filing on the same day PJM has requested to make its compliance filing for transmission planning reforms required by Order Nos. 1920 and 1920-A.⁵

In Order No. 1920-A, the Commission set aside its requirement in Order No. 1920 that the Engagement Period between transmission provider and RSEs be limited to six months. The Commission wrote that when RSEs represent that they need additional time to complete cost allocation discussions, extending the Engagement Period may be appropriate. This six-month extension will allow the PARSEC and the PJM Transmission Owners to more fully engage in fulsome discussions as they develop and consider various cost allocation proposals for use as part of PJM's Order No. 1920 compliant Long-Term Regional Transmission Planning process. Order No. 1920-A also affirms that, in circumstances where the Commission approves an extension to the Engagement Period requested by the RSEs, it will, as appropriate, extend the cost allocation compliance deadline to accommodate the extended Engagement Period. A six-month extension to the PJM Transmission Owner's cost allocation compliance deadline will allow the PJM Transmission Owners to prepare the necessary compliance filing following the conclusion of the extended Engagement Period.

I. BACKGROUND

On May 13, 2024, the Commission issued Order No. 1920, which required transmission providers to adopt reforms to their electric transmission planning and cost allocation requirements

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⁵ See Motion for Extension of Time to Submit Compliance Filing of PJM Interconnection, L.L.C., and Request for Order by February 6, 2025, Docket No. RM21-17 (filed Dec. 20, 2024) ("PJM Extension Request").

⁶ Order No. 1920-A at PP 677-678.

⁷ *Id*. at P 677.

⁸ *Id.* at P 678.

to remedy deficiencies in their regional and local transmission planning and cost allocation requirements. As relevant to this motion, Order No. 1920 requires transmission providers to file one or more *ex ante* cost allocation methods that apply to Long-Term Regional Transmission Facilities selected in an Order No. 1920 compliant planning process. Order No. 1920 also requires transmission providers to engage with RSEs during a six-month Engagement Period on an *ex ante* long-term cost allocation method or a State Agreement Process. The Commission stated that during this Engagement Period, RSEs should have the opportunity to provide their views on the *ex ante* cost allocation method and ask that transmission providers file a Long-Term Regional Cost Allocation Method, but Order No. 1920 did not require that transmission providers file an *ex ante* cost allocation method proposed by the RSEs if the transmission providers did not agree with it. The Commission also permitted transmission providers to include a State Agreement Process in their compliance filings if agreed to by the RSEs.

On June 12, 2024, the Organization of PJM States, Inc. ("OPSI") filed a motion requesting modifications to the role of the states and clarification on how the Commission would review potential cost allocation proposals. Soon afterward, both state commission staff and the OPSI Board of Directors began working to create a Relevant State Entities Committee in the PJM Region and to identify state entities eligible for membership. To that end, the PARSEC was chartered on

⁹ Building for the Future Through Electric Regional Transmission Planning and Cost Allocation and Generator Interconnection, 187 FERC ¶ 61,068 (2024) ("Order No. 1920").

¹⁰ *Id.* at P 1291.

¹¹ Id. at P 1358.

¹² *Id.* at P 1356.

¹³ *Id.* at P 1296 and P 1354, 1359.

 $^{^{14}}$ *Id*.

¹⁵ OPSI, Motion for Clarification and Amendment of the Organization of PJM States, Inc., Docket No. RM21-17-000 (filed June 12, 2024).

September 19, 2024, by the OPSI Board of Directors.¹⁶ The OPSI Board of Directors elected the PARSEC's Chair at this time and set the first PARSEC meeting to elect additional leadership with the full participation of identified siting authorities.

Since then, the PARSEC has met with the PJM Transmission Owners multiple times to develop a foundation of common knowledge to guide its future discussions and has met with the Organization of MISO States to discuss how regulators in the MISO region have conducted recent cost-allocation conversations.

On October 7, 2024, the PJM Transmission Owners provided notice that the Engagement Period with the PARSEC has begun.¹⁷

On November 21, 2024, the Commission issued Order No. 1920-A which sustained the determination that transmission providers retain the right to determine which cost allocation method(s) they will file on compliance but also requiring that they include in their compliance filing any method agreed to by the RSEs.¹⁸ The Commission stated that it may adopt the cost allocation method filed by the RSEs as long as it complies with Order No. 1920.¹⁹

On December 20, 2024, PJM filed a motion to extend the deadline for it to file its compliance filings for the Long-Term Regional Transmission Planning process to December 12,

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¹⁶ PJM Area Relevant State Entities Charter, (Sept. 19, 2024) available at: https://opsi.us/wpcontent/uploads/2024/10/PJM-Area-Relevant-State-Entities-Committee-Charter.pdf.

¹⁷ PJM, Transmission Expansion Advisory Committee, available at: https://www.pjm.com/committees-and-groups/committees/teac ("FERC Order No. 1920 − PJM Transmission Owner Engagement Period Pursuant to paragraph 1359 of FERC Order No. 1920, Building for the Future Through Electric Regional Transmission Planning and Cost Allocation, 187 FERC ¶ 61,068 (May 13, 2024), the PJM Transmission Owners provide notice that they began the Engagement Period with Relevant State Entities on October 7, 2024. The Engagement Period is scheduled to end on April 7, 2025. If the Relevant State Entities agree with the PJM Transmission Owners on a Long-Term Regional Transmission Cost Allocation Method(s) and/or a State Agreement Process, they will need to communicate that agreement to William M. Keyser at Steptoe LLP (202-429-8186 or wkeyser@steptoe.com), counsel for the PJM Transmission Owners, by April 14, 2025.").

¹⁸ Order No. 1920-A at P 651.

¹⁹ *Id.* at 659.

2025—the same date to which the PJM Transmission Owners now seek to extend their cost allocation compliance filing deadline.²⁰ OPSI and the PJM Transmission Owners supported PJM's extension request.²¹

II. MOTION FOR EXTENSION OF TIME

Under Rule 2008 of the Commission's Rules of Practice and Procedure, "the time by which any person is required or allowed to act under any statute, rule, or order may be extended by the decisional authority for good cause, upon a motion made before the expiration of the period prescribed or previously extended."²² Further, in Order No. 1920-A, the Commission wrote that it will grant an extension request when RSEs request more time to have "sufficient time to engage in fulsome discussions."²³ Order No. 1920-A also stated that the Commission would, as appropriate, extend cost allocation compliance deadlines to accommodate an extended Engagement Period.²⁴

The PARSEC and the PJM Transmission Owners request additional time to build on the work they have started. The PARSEC has received extensive education on various cost allocation methods in use across the country (including education provided by the PJM Transmission Owners and PJM as part of the Engagement Period meetings) and coordinated conversations with RSEs in other regions to understand how other regions have coordinated their work to develop methods to allocate the costs of transmission facilities identified through long-term regional planning processes. The PARSEC is currently developing principles to guide its cost allocation

²⁰ PJM Extension Request. PJM stated that it intends to coordinate with its neighboring regions to determine whether to file an extension request related to the interregional transmission planning requirements of Order No. 1920.

²¹ Motion for Acceptance of Late-Filed Answer and Answer in Support of PJM's Motion for Extension of Time of the Organization of PJM States, Inc., Docket No. RM21-17 (filed Jan. 3, 2025); Comments of the PJM Transmission Owners in Support of PJM Motion for Extension of Time, Docket No. RM21-17 (filed Jan. 2, 2025).

²² 18 C.F.R. § 385.2008.

²³ Order No. 1920-A at P 678.

²⁴ *Id*.

conversations over the next few months and intends to begin developing proposals for consideration soon. The PJM Transmission Owners are also working with the PARSEC to provide support for its efforts and are developing their own cost allocation principles and proposals to guide their discussions with the PARSEC.

Further, as described in its motion for extension, PJM intends to use the additional time it has requested to allow the states to provide input on its Order No. 1920 Long-Term Regional Transmission Planning compliance proposal while it is still in its "embryonic" stage.²⁵ The PARSEC recognizes the enhanced role the Commission has described for RSEs in Order No. 1920-A and intends to work not just with the PJM Transmission Owners on cost allocation conversations but also with PJM on long-term transmission planning as it develops the scenario development framework, evaluation process, and selection criteria it intends to use in its Order No. 1920 compliant process.

By no means is this request for extension intended to simply delay or indicate that this work is not urgent. To the contrary, the requested extension is necessary for the PARSEC and the PJM Transmission Owners to address the complex issues that must be addressed to develop one or more *ex ante* Long-Term Regional Transmission Cost Allocation Methods applicable to a region as diverse as PJM, encompassing 13 states and the District of Columbia. In addition, any cost allocation methodology developed during the Engagement Period cannot be finalized until PJM has developed an Order No. 1920 compliant planning process.

The benefits of extending the Engagement Period and its associated compliance deadlines by six months outweigh any possible disadvantages given that the PJM Transmission Owners do

²⁵ PJM Extension Request at 7.

not intend these extensions to affect the ultimate implementation date of PJM's long-term planning process, which is June 12, 2027.

PJM has requested the Commission act on its extension request by February 6, 2025. The PARSEC and the PJM Transmission Owners also request that the Commission rule on the instant joint motion by February 6, 2025, and encourage the Commission to grant both so that they can proceed in a coordinated manner.

III. CONCLUSION

For the reasons stated above, the PARSEC and the PJM Transmission Owners jointly move the Commission to extend the Engagement Period between the PJM Transmission Owners and the PARSEC by six months, and to likewise extend the PJM Transmission Owners' cost allocation deadline by six months, to December 12, 2025, to accommodate the extended Engagement Period.

Respectfully Submitted,

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Dated: January 24, 2025

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CERTIFICATE OF SERVICE

Pursuant to Rule 2010, 18 C.F.R. § 385.2010, I hereby certify that I have this day caused the foregoing document to be served upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, D.C. on this 24th day of January, 2025.

/s/ Jeannette Crooks
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