

**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

**PJM Interconnection, L.L.C.**

**Docket No. ER17-75-000**

**ANSWER OF LACKAWANNA ENERGY CENTER LLC**

Pursuant to Rules 212 and 213 of the Federal Energy Regulatory Commission’s (“FERC” or “Commission”) Rules of Practice and Procedure,<sup>1</sup> Lackawanna Energy Center LLC (“Lackawanna”) hereby responds to the Motion for Leave to File Comments Out of Time and Comments of ITC Lake Erie Connector, LLC (“ITC”) (“Comments”) in the above-captioned proceeding in which PJM submitted for filing an unexecuted Interconnection Service Agreement (“ISA”) among PJM Interconnection, L.L.C. (“PJM”), PPL Electric Utilities Corporation, and Lackawanna.<sup>2</sup>

In its Protest, Lackawanna requested that the Commission direct PJM to remove language in the ISA that would permit PJM to limit the output of the Lackawanna generation facility (the “Project”) and the Project’s Capacity Interconnection Rights (“CIRs”) until such time as certain upgrades recommended by the New York Independent System Operator, Inc. (“NYISO”) – an Affected System – were completed.<sup>3</sup> In its

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<sup>1</sup> 18 C.F.R. §§ 385.212 and 213 (2016).

<sup>2</sup> Pursuant to Rule 213 of the Commission’s regulations, Lackawanna is permitted to file an answer to the Comments, which is neither a protest nor an answer. 18 C.F.R. § 213(a)(3).

<sup>3</sup> Motion to Intervene and Protest of Lackawanna Energy Center LLC and Request for Expedited Issuance of an Order Accepting for Filing and Modifying Interconnection Service Agreement, Docket No. ER17-75-000 (Oct. 18, 2016) (“Protest”).

Answer to the Protest, PJM stated that it included the challenged language “to protect the NYISO system.”<sup>4</sup>

ITC does not object to the Commission granting Lackawanna’s Protest. ITC requests, however, that, “if the Commission deems it necessary to decide any NYISO-related issues [in this docket], ...the Commission should set those issues for hearing, and allow for additional fact-finding ...[so that ITC] will not be prejudiced by any determinations or precedent established in this docket.”<sup>5</sup>

ITC provides no basis for the Commission to set any issues for hearing. First, while ITC quotes extensively from the Protest, it fails to note Lackawanna’s contention that in order to grant the Protest the Commission need only take the NYISO Report at “face value,”<sup>6</sup> and need not consider any additional facts beyond those stated in the NYISO Report; i.e., as Lackawanna stated:

[E]ven assuming every word of the NYISO Report to be accurate, there is no reliability driven or other reasonable basis for PJM’s having reserved a right to limit the Project’s output . . . .<sup>7</sup>

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<sup>4</sup> Motion for Leave to Answer and Answer of PJM Interconnection, L.L.C., Docket No. ER17-75-000 (Nov. 2, 2016).

<sup>5</sup> ITC Comments at 4. ITC states that it is developing a HVDC transmission project (“HVDC Project”) that will interconnect with PJM’s system at a location 250 miles from the Lackawanna Project; that it is waiting to receive an Interconnection Facilities Study; and that, as with the Lackawanna Project, NYISO has recommended that two Phase Angle Regulator transformers (“PARs”) be installed in order to mitigate the potential degradation of interface transfer capacity attributable to the HVDC Project’s interconnection. *Id.* at 3-4.

<sup>6</sup> Protest at 7.

<sup>7</sup> *Id.* at 9.

Second, ITC's suggestion that its pending interconnection request somehow is at issue in this proceeding is unavailing. This proceeding is limited to addressing Lackawanna's ISA. ITC is behind Lackawanna in the queue and its interconnection will be addressed in separate studies conducted by PJM, and potentially by NYISO as an Affected System.<sup>8</sup>

Third, and more importantly, ITC's concerns about potential prejudice or precedent provide no reason for convening a hearing merely in order to eliminate any such potential. FERC does not set matters for hearing in dockets involving one party's ISA because a second party whose ISA is not before the Commission claims that it somehow might be prejudiced by the Commission's ruling or because of that ruling's potentially precedential effect. Indeed, any party wishing to intervene in any proceeding is required to say as much in order to sustain its motion to intervene.

In sum, the Commission should not set this matter for hearing on the basis set forth by ITC or for any other reason. Rather, as Lackawanna has explained, because it is working to complete financing and to move forward on construction, it requires reasonable certainty now with respect to its interconnection rights. Accordingly, Lackawanna renews its request that the Commission issue an order accepting the ISA for filing and directing PJM to remove the disputed proposed conditions.

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<sup>8</sup> ITC Comments at 3 (noting that "Lackawanna holds two PJM queue positions . . . each of which is higher than ITC Lake Erie's").

**CONCLUSION**

For the foregoing reasons, Lackawanna requests that the Commission accept the ISA, modified as requested in the Protest, to be effective October 1, 2016.

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Respectfully submitted,

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November 22, 2016

## CERTIFICATE OF SERVICE

I hereby certify that on this 22nd day of November, 2016, a copy of the foregoing document has been electronically served upon each person designated on the official service list in this proceeding.

/s/ Larry F. Eisenstat

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