

December 22, 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. ER17-_____
Queue Position #AB2-004, Original Service Agreement No. 4584

Dear Secretary Bose:

Pursuant to section 205 of the Federal Power Act,¹ part 35 of the Federal Energy Regulatory Commission's ("Commission") regulations,² and Part VI of the PJM Interconnection, L.L.C. ("PJM") Open Access Transmission Tariff ("PJM Tariff"), PJM submits for filing an executed Interconnection Service Agreement ("ISA") among PJM, as Transmission Provider, SALT Energy Group ("SALT Energy"), as Interconnection Customer, and The Potomac Edison Company ("Potomac Edison"), as Transmission Owner. The ISA is for PJM Queue #AB2-004 and designated as Original Service Agreement No. 4584.³

¹ 16 U.S.C. § 824d.

² 18 C.F.R. part 35.

³ Interconnection Service Agreement By and Among PJM Interconnection, L.L.C. And SALT Energy Group And The Potomac Edison Company ("SALT Energy ISA"). A copy of the SALT Energy ISA is included as Attachment A to this transmittal letter. Because the SALT Energy ISA is being filed electronically, it contains electronic signatures and not the original signatures of the parties; therefore, copies of the sheets containing the original signatures are included as Attachment B. Attachment B also includes additional initialed pages to the SALT Energy ISA.

PJM is submitting the SALT Energy ISA for filing because it contains a provision that does not conform to the ISA Form set forth in Attachment O to the PJM Tariff (“ISA Form”). The nonconforming language is described below in more detail, and shown in redline format in Attachment C to this transmittal letter. PJM requests an effective date of November 30, 2016, for the SALT Energy ISA.

I. Description of the SALT Energy ISA

The Salt Energy ISA facilitates the interconnection to the PJM transmission system of the Hagerstown Solar Facility, a solar generating facility located in Hagerstown, Maryland with a Maximum Facility Output⁴ of 5.4 MW. SALT Energy ISA, Specifications § 1.0. Specifications section 2.1 of the SALT Energy ISA indicates that Salt Energy will have Capacity Interconnection Rights of 2.1 MW. Specifications section 2.1 further states that this 2.1 MW of Capacity Interconnection Rights will be available on an interim basis from the effective date of the SALT Energy ISA (November 30, 2016), through May 31, 2020. This provision is nonconforming and is explained below.

Sections 6.1 through 6.4 establish certain milestones applicable to the SALT Energy ISA. The SALT Energy ISA further specifies an Attachment Facilities Charge of \$258,600. *Id.*, Specifications § 4.1. This charge consists of: \$116,370 in direct labor costs; \$90,510 in direct material costs; \$25,860 in indirect labor costs; and \$25,860 in indirect material costs. *Id.*, Specifications § 4.5. The total amount of security required

⁴ Capitalized terms not defined herein have the meaning set forth in the PJM Tariff or in the ISA.

under this ISA is \$64,650. *Id.* § 5.0, Specifications § 4.6. There are no other charges associated with this ISA.⁵

II. Nonconforming Provisions

As noted above, the SALT Energy ISA contains a nonconforming provision. Specifically, Specifications section 2.1 of the SALT Energy ISA provides SALT Energy with interim Capacity Interconnection Rights of 2.1 MW for the period commencing as of the ISA's effective date, November 30, 2016, and ending May 31, 2020, and states that the availability and amount of such interim Capacity Interconnection Rights are dependent upon the completion and results of an interim deliverability study. *Id.*, Specifications § 2.1. This provision clarifies the availability of the Capacity Interconnection Rights SALT Energy will receive pursuant to this ISA and its right to use such capacity prior to June 1, 2020. The Commission has previously accepted for filing agreements with similar non-standard language.⁶

⁵ The SALT Energy ISA also contains Appendices 1 and 2. Appendix 1 contains all of the definitions from section 1 of the PJM Tariff. Appendix 2 contains all of the standard terms and conditions that are set forth in the ISA Form. The appendices attached to the SALT Energy ISA were compiled from a version of the PJM Tariff in effect as of the effective date of the SALT Energy ISA.

⁶ *See, e.g., PJM Interconnection, L.L.C.*, Letter Order, Docket No. ER16-1884-000 (Aug. 2, 2016); *PJM Interconnection, L.L.C.*, Letter Order, Docket No. ER16-1626-000 (June 22, 2016); *PJM Interconnection, L.L.C.*, Letter Order, Docket No. ER16-1487-000 (May 20, 2016); *PJM Interconnection, L.L.C.*, Letter Order, Docket No. ER16-725-000 (Feb. 18, 2016); *PJM Interconnection, L.L.C.*, Letter Order, Docket No. ER16-353-000 (Jan. 11, 2016); *PJM Interconnection, L.L.C.*, Letter Order, Docket No. ER16-119-000 (Nov. 18, 2015).

III. Waiver and Effective Date

Consistent with the Commission's prior notice requirements, PJM requests an effective date of November 30, 2016, for the SALT Energy ISA. The requested effective date is appropriate because the SALT Energy ISA is being filed within thirty days of the commencement of service under the agreement.⁷

IV. Documents Enclosed

In addition to this transmittal letter, PJM encloses the following:

1. Attachment A: SALT Energy ISA, Original Service Agreement No. 4584;
2. Attachment B: Copies of sheets containing original signatures of the SALT Energy ISA; and
3. Attachment C: Redline pages showing nonconforming language in the SALT Energy ISA.

⁷ See 18 C.F.R. § 35.3(a)(2).

V. Correspondence and Communications

Correspondence and communications with respect to this filing should be sent to, and PJM requests the Secretary to include on the official service list, the following:⁸

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⁸ 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.

VI. Service

PJM has served a copy of this filing on SALT Energy, Potomac Edison, and the relevant state regulatory commissions within the PJM Region.

Respectfully submitted,

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