



PJM Interconnection, L.L.C.
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July 18, 2016

The Honorable Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E., Room 1A
Washington, D.C. 20426-0001

*Re: PJM Interconnection, L.L.C., Docket No. ER16-_____-000
Notice of Cancellation of Service Agreement No. 3354; Queue No. X2-054*

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 an executed Wholesale Market Participation Agreement (“WMPA”) entered into among PJM, Quakertown Farm, LLC (“Quakertown Farms”) and Jersey Central Power & Light Company (“JCP&L”) (“Quakertown Farms WMPA”), designated as Service Agreement No. 3354 in Docket No. ER14-2495-000.¹ The Quakertown Farms WMPA is being cancelled because Quakertown Farms has decided not to move forward with its project and will not participate in PJM’s markets. PJM is submitting this filing to notify the Commission that Service Agreement No. 3354 is to be cancelled effective September 13, 2016.

II. WAIVER AND EFFECTIVE DATE

To the extent that the Commission considers this filing to be a notice of cancellation of Service Agreement No. 3354, PJM requests an effective date of September 13, 2016 for the

¹ *PJM Interconnection, L.L.C., Docket No. ER14-2495-000, Letter Order (Sept. 3, 2014).*

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cancellation of Service Agreement No. 3354 and requests that the Commission waive the sixty day (60) notice requirement specified in section 35.15 of the Commission's regulations² to allow such effective date. The Parties have no remaining obligations under Service Agreement No. 3354.

III. CORRESPONDENCE AND COMMUNICATION

The following individuals are designated for inclusion on the official service list in this proceeding and for receipt of any communications regarding this filing:

Craig Glazer
Vice President–Federal Government Policy
PJM Interconnection, L.L.C.
1200 G Street, N.W, Suite 600
Washington, D.C. 20005
(202) 423-4743
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IV. SERVICE

PJM has served a copy of this filing on Quakertown Farms, JCP&L and the state utility regulatory commissions within the PJM region.

Craig Glazer
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PJM Interconnection, L.L.C.
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Respectfully submitted,



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² 18 C.F.R. § 35.15 (2015).

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cc: Quakertown Farms, LLC
PO Box 370
Quakertown, NJ 08868
Attn: Scott Acker

Jersey Central Power & Light Company
76 South Main Street
A-GO-10
Akron, OH 44308
Attn: Mike Thorn, Agreements Support Manager

FirstEnergy Service Company
Legal Department
76 South Main Street
A-GO-15
Akron, OH 44308
Attn: Attorney for Agreements Support

All state utility regulatory commissions within the PJM Region

FERC rendition of the electronically filed tariff records in Docket No. ER16-02228-000

Filing Data:

CID: C000030

Filing Title: Notice of Cancellation of WMPA SA No. 3354, Queue No. X2-054

Company Filing Identifier: 2159

Type of Filing Code: 260

Associated Filing Identifier:

Tariff Title: PJM Service Agreements Tariff

Tariff ID: 40

Payment Confirmation:

Suspension Motion:

Tariff Record Data:

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

PJM SA No. 3354, PJM SA No. 3354 Among PJM, Quakertown and JCPL (CA), 2.0.0, A

Record Narrative Name: PJM SA No. 3354

Tariff Record ID: 634

Tariff Record Collation Value: 405400 Tariff Record Parent Identifier: 0

Proposed Date: 2016-09-13

Priority Order: 500

Record Change Type: CANCEL

Record Content Type: 1

Associated Filing Identifier:

Service Agreement No. 3354

(PJM Queue #X2-054)

WHOLESALE MARKET PARTICIPATION AGREEMENT

Among

PJM INTERCONNECTION, L.L.C.

And

QUAKERTOWN FARMS, LLC

And

JERSEY CENTRAL POWER & LIGHT COMPANY

Service Agreement No. 3354

WHOLESALE MARKET PARTICIPATION AGREEMENT

By and Among
PJM Interconnection, L.L.C.
And
Quakertown Farms, LLC
And
Jersey Central Power & Light Company
(PJM Queue Position #X2-054)

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”), Quakertown Farms, LLC (“Wholesale Market Participant”) and Jersey Central Power & Light Company (“Transmission Owner” or “JCPL”). This WMPA supersedes the Wholesale Market Participation Agreement between PJM Interconnection, L.L.C., Quakertown Farms, LLC and Jersey Central Power & Light Company, filed with and accepted by the Federal Energy Regulatory Commission in Docket No. ER12-2294-000, effective July 6, 2012, and designated as Original Service Agreement No. 3354.

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 or Part VI, Article 1 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.
- 1.1 Effective Date.** This WMPA shall become effective on the date it is executed by all 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 or request made by any party regarding this WMPA shall be made, consistent with the terms of Subpart B of the Tariff, to the representatives of the other parties.

Transmission Provider:

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

Wholesale Market Participant:

Quakertown Farms, LLC
PO Box 370

Quakertown, NJ 08868
Attn: Scott Acker

Transmission Owner:

Jersey Central Power & Light Company
76 South Main Street
A-GO-10
Akron, OH 44308
Attn: Mike Thorn, Agreements Support Manager

With copies to:
FirstEnergy Service Company
Legal Department
76 South Main Street
A-GO-15
Akron, OH 44308
Attn: Attorney for Agreements Support

- 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 Facilities 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 20.1.2 in Attachment O-1 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.

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 Commercial Operation.** (i) On or before December 31, 2014, Wholesale Market Participant must demonstrate commercial operation of all generating units; (ii) On or before December 31, 2014, 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.
- 3.1.2 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.
- 3.1.3 Interconnection Agreement.** On or before June 30, 2014, Wholesale Market Participant must enter into an Interconnection Agreement with the Interconnected 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 Interconnected Transmission Owner or (ii) the Interconnected 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 Interconnected 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 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.

**SPECIFICATIONS FOR
WHOLESALE MARKET PARTICIPATION AGREEMENT
By and Among
PJM INTERCONNECTION, L.L.C.
And
QUAKERTOWN FARMS, LLC
And
JERSEY CENTRAL POWER & LIGHT COMPANYYY
(PJM Queue Position # X2-054)**

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:

Quakertown Solar Farm #2

b. Location of Participant Facility:

Franklin Township, NJ

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 34 kV collector system.

2.0 Rights for Generation Wholesale Market Participant

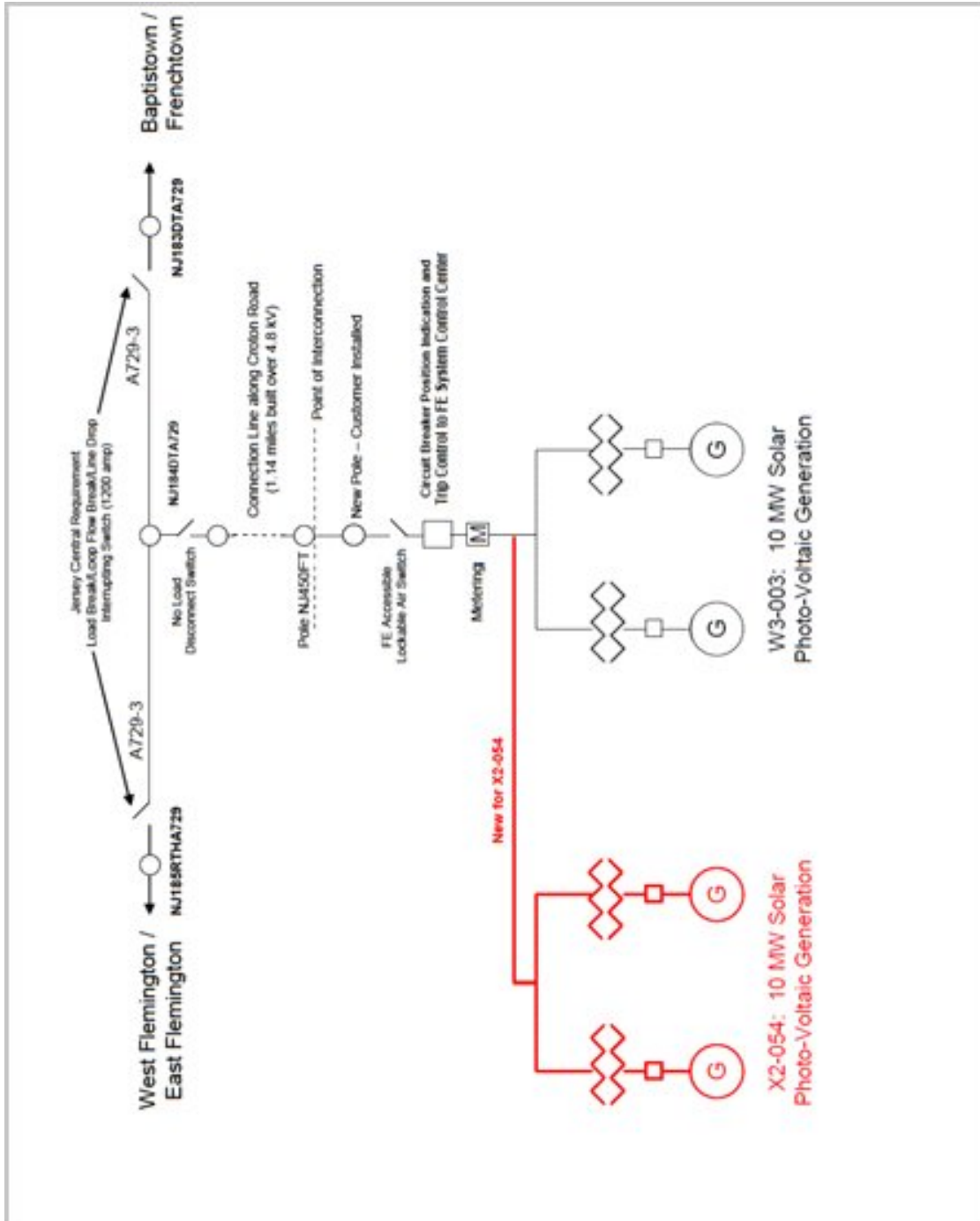
2.1 **Energy Resource:** The Participant Facility described in Section 1.0 shall be an Energy Resource. Pursuant to this WMPA, the Wholesale Market Participant may sell energy into PJM's markets in an amount equal to the Participant Facility's Maximum Facility Output indicated in Section 1.0c of the 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



SCHEDULE B
LIST OF METERING EQUIPMENT

Wholesale Market Participant's metering & telemetry equipment shall comply with requirements specified in PJM Manuals M-01 and M-14D.

SCHEDULE C

LIST OF LOCAL/NETWORK UPGRADES

Not Required.

SCHEDULE D

APPLICABLE TECHNICAL REQUIREMENTS AND STANDARDS

1. FirstEnergy “Technical Requirements for the Interconnection of Parallel-Operated Generation to the FirstEnergy Distribution System” which is available at:
<http://www.pjm.com/planning/design-engineering/to-tech-standards.aspx>.
2. “PJM Transmission and Substation Design Subcommittee Technical Requirements,” which are available at:
<http://www.pjm.com/planning/design-engineering/maac-to-guidelines.aspx>
3. “PJM Relay Philosophy Design Standards,” which are available at:
<http://www.pjm.com/planning/design-engineering.asp>
4. “Wholesale Generation Interconnection Manual” which is available at:
<http://www.pjm.com/planning/design-engineering/to-tech-standards.aspx>

SCHEDULE E

WHOLESALE MARKET PARTICIPANT’S AGREEMENT TO CONFORM WITH IRS SAFE HARBOR PROVISIONS FOR NON-TAXABLE STATUS

As provided in Section 24.1 in Attachment O, Appendix 2 in Part VI of the Tariff and subject to the requirements thereof, Wholesale Market Participant represents that it meets all qualifications and requirements as set forth in Section 118(a) and 118(b) of the Internal Revenue Code of 1986, as amended and interpreted by Notice 88-129, 1988-2 C.B. 541, and as amplified and modified in Notices 90-60, 1990-2 C.B. 345, and 2001-82, 2001-2 C.B. 619 (the “IRS Notices”). Wholesale Market Participant agrees to conform with all requirements of the safe harbor provisions specified in the IRS Notices, as they may be amended, as required to confer non-taxable status on some or all of the transfer of property, including money, by Wholesale Market Participant to Transmission Owner with respect to the payment of the Costs of construction and installation of the Transmission Owner Interconnection Facilities specified in this WMPA.

Nothing in Wholesale Market Participant’s agreement pursuant to this Schedule E shall change the indemnification obligations under Section 24.2 in Attachment O, Appendix 2 in Part VI of the Tariff.

SCHEDULE F
SCHEDULE OF NON-STANDARD TERMS & CONDITIONS

Not Required.

Document Content(s)

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