

November 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 #X4-048/Y2-089, First Revised Service Agreement No. 3838

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 Construction Service Agreement ("CSA") among PJM, Lackawanna Energy Center LLC ("Lackawanna"), and PPL Electric Utilities Corporation ("PPL").³ The Lackawanna CSA supersedes a CSA among PJM, Lackawanna, and PPL that was designated as Original Service Agreement No. 3838, and

¹ 16 U.S.C. § 824d.

² 18 C.F.R. part 35.

³ Interconnection Construction Service Agreement By and Among PJM Interconnection, L.L.C. And Lackawanna Energy Center LLC And PPL Electric Utilities Corporation ("Lackawanna CSA"). Because the Lackawanna CSA that is being filed electronically with this transmittal letter contains electronic signatures and not the original signatures of the parties, a copy of the sheet containing the original signatures of the parties is included as Attachment C to this transmittal letter.

therefore is designated as First Revised Service Agreement No. 3838.⁴ The revisions to Original Service Agreement No. 3838 are explained below and shown in redline format in Attachment A to this transmittal letter. A clean version of the Lackawanna CSA is included as Attachment B. PJM is submitting the Lackawanna CSA for filing because it contains terms and conditions that do not conform to the CSA Form. The nonconforming terms and conditions are described in more detail below and are shown in redline format in Attachment D to this transmittal letter. PJM requests an effective date of October 25, 2016 for the Lackawanna CSA.

I. Description of the Lackawanna CSA

The Lackawanna CSA facilitates the interconnection to the PJM Transmission System of the Lackawanna Thermal Generating Station located in Jessup Borough, Pennsylvania. *See* Lackawanna CSA § 3.0.⁵ The Lackawanna CSA is associated with an Interconnection Service Agreement (“ISA”) among PJM, Lackawanna, and PPL that was filed unexecuted with the Commission in Docket No. ER17-75-000 (“Lackawanna ISA”).⁶ As explained in the October 12 Filing, the Lackawanna ISA facilitates the interconnection to the PJM Transmission System of an increase in the Maximum Facility

⁴ Original Service Agreement No. 3838 conformed to the form of CSA set forth in Attachment P to the PJM Tariff (“CSA Form”) and, therefore, was not filed separately with the Commission but instead was reported in PJM’s Electric Quarterly Report only. *See* 18 C.F.R. § 35.1(g).

⁵ The Lackawanna CSA 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 CSA Form. The appendices attached to the Lackawanna CSA were compiled from the version of the PJM Tariff in effect as of the effective date of the Lackawanna CSA.

⁶ Submission of PJM Interconnection, L.L.C., Docket No. ER17-75-000 (Oct. 12, 2016) (“October 12 Filing”).

Output of the Lackawanna Thermal Generating Station in an amount of 370 MW over Lackawanna's previous interconnection of 1,000 MW, for a total of 1,370 MW.⁷ The Lackawanna ISA also provides for a 370 MW increase in Capacity Interconnection Rights ("CIRs"), for a total of 1,370 MW in CIRs.⁸

The Lackawanna CSA sets forth the rights and obligations Lackawanna, as the Interconnection Customer, and PPL, as the Interconnected Transmission Owner, each agree to and assume with respect to the facilities that each of them is responsible for constructing on the PJM system. *See* Lackawanna CSA § 2.0. These include the Customer Interconnection Facilities identified in Schedule G and the Network Upgrades to the PJM Transmission System identified in Schedule C, the construction of which is necessary to accommodate the interconnection. The Lackawanna CSA supersedes and revises Original Service Agreement No. 3838 to reflect, among other things, the change in scope and schedule of work required as a result of the Interconnection Request associated with the Lackawanna ISA.

A. Revisions to Original Service Agreement No. 3838 Reflected in the Lackawanna CSA

The Lackawanna CSA includes revisions to Original Service Agreement No. 3838 to reflect: (i) the queue number that corresponds to the Interconnection Request associated with the Lackawanna CSA; (ii) that Original Service Agreement No. 3838 is being superseded; (iii) updates to the Notices information in Section 10.0; (iv) revisions to Section 16.0 necessitated by Commission-accepted PJM Tariff revisions; (v) updates

⁷ *Id.* at 2, 5 (citing Lackawanna ISA, Specifications § 1.0).

⁸ *Id.* (citing Lackawanna ISA, Specifications § 2.1). The Commission has not yet acted on the October 12 Filing.

to the cover page to the Appendices and Schedules, Schedule E, Schedule F, and Schedule L necessitated by Commission-accepted PJM Tariff revisions; (vi) updates to Appendices 1 and 2 to reflect Commission-accepted PJM Tariff revisions; (vii) a revision to the single-line diagram in Schedule B; (viii) revisions to the Customer Interconnection Facilities specified in Schedules G and I; (ix) revisions to the schedule of work in Schedule J; (x) updates to the applicable technical requirements and standards in Schedule K; and (xi) other minor ministerial revisions.

First, the Lackawanna CSA now includes the queue position that corresponds to the Interconnection Request associated with the Lackawanna CSA, along with the queue position associated solely with and identified in Original Service Agreement No. 3838. This revision is necessary as the Lackawanna CSA now covers both queue positions. The inclusion of the additional queue position is reflected on the title page, the first page, the signature page, and Schedule A.

Second, Section 1.0 of the Lackawanna CSA indicates that the Lackawanna CSA supersedes Original Service Agreement No. 3838.

Third, Section 10.0 of the Lackawanna CSA is revised to reflect an updated address for PJM and an updated address and representative information for Lackawanna.

Fourth, Sections 16.0 is revised to reflect accepted PJM Tariff revisions from Docket Nos. ER15-1193-000, -001, and -002 regarding interconnection requirements for wind or non-synchronous generation facilities.

Fifth, the cover page to the Appendices and Schedules to the Lackawanna CSA and Schedules E, F, and L are revised to reflect accepted PJM Tariff revisions from Docket Nos. ER16-757-000 and -001 regarding Merchant Network Upgrades.

Sixth, Appendix 1 and Appendix 2 to the Lackawanna CSA include numerous revisions that reflect PJM Tariff changes to the CSA Form accepted by the Commission in Docket Nos. ER15-2200-000, ER16-757-000, ER16-757-001, ER16-1520-000, ER16-1737-000, and ER16-1985-000. These changes include adding, removing, and revising definitions in Appendix 1; removing the numbering of the definitions in Appendix 1; and adding, removing, and revising the standard terms and conditions set forth in Appendix 2.

Seventh, the single-line diagram in Schedule B is revised to reflect the increase to the Lackawanna Thermal Generating Station pursuant to the Interconnection Request associated with the Lackawanna CSA.

Eighth, Schedules G and I include revisions to the Customer Interconnection Facilities to include three, rather than four, generator step up transformers and circuit breakers that the Interconnection Customer shall construct.

Ninth, Schedule J is updated to reflect revised dates for the completion of various items in the Interconnected Transmission Owner's scope of work.

Tenth, Schedule K is revised to reflect an updated version of the applicable technical requirements and standards set forth therein, and to provide a more complete internet address for finding those standards.

Finally, the Lackawanna CSA contains minor ministerial revisions to the headers on the title page and first page to remove "Original" from the service agreement number designation and to remove the effective date from the title page, consistent with the requirements in Order No. 714.⁹ Except for the revisions described above and revisions

⁹ *Electronic Tariff Filings*, Order No. 714, 2008-2013 FERC Stats. & Regs., Regs. Preambles ¶ 31,276, at PP 92-96 (2008), *final rule*, Order No. 714-A, III FERC Stats. & Regs., Regs. Preambles ¶ 31,356 (2014).

to the signature pages, all other terms and conditions of Original Service Agreement No. 3838 remain the same.

B. Nonconforming Provision

As mentioned above, the Lackawanna CSA contains terms and conditions that do not conform to the CSA Form. Specifically, Section 1.0 of the Lackawanna CSA states that the Lackawanna CSA “supersedes the conforming Interconnection Construction Service Agreement among PJM Interconnection, L.L.C., Lackawanna Energy Center LLC and PPL Electric Utilities Corporation, effective May 6, 2014, and designated as Service Agreement No. 3838.” *See* Lackawanna CSA § 1.0. This nonconforming provision does not affect the substantive rights of the parties to the Lackawanna CSA but is added for clarity. The Commission previously has accepted for filing similar nonconforming provisions.¹⁰

II. Effective Date

Consistent with the Commission’s prior notice requirements, PJM requests an effective date of October 25, 2016 for the Lackawanna CSA. The requested effective date is appropriate because the Lackawanna CSA is being filed within 30 days of the commencement of service under the agreement.¹¹

III. Documents Enclosed

PJM encloses the following:

¹⁰ *See, e.g., PJM Interconnection, L.L.C., Letter Order, Docket No. ER16-562-000 (Feb. 11, 2016) (accepting, among other things, a CSA with similar superseding language); PJM Interconnection, L.L.C., Letter Order, Docket No. ER15-2675-000 (Oct. 15, 2015) (same).*

¹¹ *See* 18 C.F.R. § 35.3(a)(2).

1. Transmittal Letter;
2. Attachment A: Lackawanna CSA, First Revised Service Agreement No. 3838 (Marked);
3. Attachment B: Lackawanna CSA, First Revised Service Agreement No. 3838 (Clean);
4. Attachment C: Copy of the sheet containing original signatures of the Lackawanna CSA; and
5. Attachment D: Redline page showing the nonconforming language in the Lackawanna CSA.

IV. 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:¹²

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¹² 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.

V. Service

PJM has served a copy of this filing on Lackawanna, PPL, and the affected state regulatory commissions within the PJM Region.

Respectfully submitted,

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