

154 FERC ¶ 61,097
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Norman C. Bay, Chairman;
Cheryl A. LaFleur, Tony Clark,
and Colette D. Honorable.

PJM Interconnection, L.L.C.

Docket Nos. ER15-1344-001
ER15-1344-002

ORDER ON COST ALLOCATION REPORT AND TARIFF REVISIONS

(Issued February 12, 2016)

1. On March 20, 2015,¹ PJM Interconnection, L.L.C. (PJM), pursuant to section 205 of the Federal Power Act,² and in accordance with Schedule 12 of the PJM Open Access Transmission Tariff (Tariff or OATT) and Schedule 6 of the Amended and Restated Operating Agreement of PJM (Operating Agreement), filed amendments to reflect cost responsibility assignments for sixty-one baseline upgrades included in an update to the Regional Transmission Expansion Plan (RTEP) (March 2015 RTEP Filing). In this order, we accept PJM's proposed cost assignments, in part, effective February 16, 2016, but reject PJM's proposed cost assignment for project b2582. PJM is directed to submit a compliance filing within 30 days of the date of this order, as discussed below.

I. Background

2. PJM files cost responsibility assignments for transmission upgrades that were approved by the PJM Board of Managers (PJM Board) as part of PJM's RTEP, in accordance with Schedule 12 of the Tariff and pursuant to Schedule 6 of the Operating Agreement.³ Schedule 6 of the Operating Agreement sets forth the process by which

¹ As amended by an errata filing on March 27, 2015.

² 16 U.S.C. § 824e (2012).

³ The PJM Board approved the baseline upgrades in this proceeding on February 28, 2015, at an estimated cost of \$551 million. In accordance with the Tariff

(continued...)

transmission expansions and enhancements (Required Transmission Enhancements) are identified and developed. The RTEP provides for the construction of expansions and upgrades to PJM's transmission system in order to comply with reliability criteria, including North America Electric Reliability Corporation (NERC) Reliability Standards, Regional Entity reliability principles and standards, and local transmission owner planning criteria, as well as to maintain and enhance the economic and operational efficiency of PJM's wholesale electricity markets. Types of Reliability Projects⁴ selected in the RTEP for purposes of cost allocation include Regional Facilities,⁵ Necessary Lower Voltage Facilities,⁶ and Lower Voltage Facilities.⁷

and the Operating Agreement, PJM was required, within 30 days from when the PJM Board approves an RTEP or additions to an RTEP, to make a filing with the Commission under section 205 of the FPA that includes, among other things, the: (1) expansion or enhancement projects the PJM Board approved for inclusion in the RTEP; (2) estimated costs of the projects; (3) entities responsible for paying the costs of the projects; and (4) the entity PJM has designated to develop the projects. *See* Operating Agreement, Schedule 6, § 1.6 (b) and PJM Tariff, Schedule 12, § (b)(viii).

⁴ Reliability Projects are defined as Required Transmission Enhancements included in the Regional Plan to address reliability violations or operational adequacy and performance issues. PJM, Intra-PJM Tariffs, OATT, Schedule 12, § (b)(i)(A)(2)(a) (Regional Facilities and Necessary Lower Voltage Facilities) (5.0.0)

⁵ Regional Facilities are defined as Required Transmission Enhancements included in the Regional Transmission Expansion Plan that are transmission facilities that: (a) are AC facilities that operate at or above 500 kV; (b) are double-circuit AC facilities that operate at or above 345 kV; (c) are AC or DC shunt reactive resources connected to a facility from (a) or (b); or (d) are DC facilities that meet the necessary criteria as described in section (b)(i)(D). PJM, Intra-PJM Tariffs, OATT, Schedule 12, § (b)(i) (Regional Facilities and Necessary Lower Voltage Facilities) (6.1.0).

⁶ Necessary Lower Voltage Facilities are defined as Required Transmission Enhancements included in the Regional Transmission Expansion Plan that are lower voltage facilities that must be constructed or reinforced to support new Regional Facilities. PJM, Intra-PJM Tariffs, OATT, Schedule 12, § (b)(i).

⁷ Lower Voltage Facilities are defined as Required Transmission Enhancements that: (a) are not Regional Facilities; and (b) are not "Necessary Lower Voltage Facilities." PJM, Intra-PJM Tariffs, OATT, Schedule 12, § (b)(ii) (Lower Voltage Facilities) (6.1.0).

3. Schedule 12 of the Tariff provides for the assignment of cost responsibility for Required Transmission Enhancements. In its orders addressing the PJM Transmission Owners' proposed Tariff revisions to comply with the regional cost allocation requirements of Order No. 1000,⁸ the Commission accepted a hybrid regional cost allocation method for Regional Facilities and Necessary Lower Voltage Facilities selected in the RTEP for purposes of cost allocation.⁹ As approved, one half of the costs of such facilities are allocated on a load-ratio share basis and one half are allocated based on a solution-based distribution factor analysis (DFAX). All of the costs of Lower Voltage Facilities are allocated using the solution-based DFAX method. These assignments of cost responsibility are included in Schedule 12-Appendix A of the Tariff.¹⁰

II. March 2015 RTEP Filing

4. In the March 2015 RTEP Filing, PJM filed amendments to Schedule 12-Appendix A to the Tariff to include new cost responsibility assignments for sixty-one transmission facility upgrades the PJM Board approved. PJM submitted cost responsibility assignments for one Regional Facility, a 500 kV rebuild of the Elmont – Cunningham 500 kV transmission line located in the Dominion transmission zone designated as project b2582, and sixty Lower Voltage Facilities. Consistent with the regional cost allocation method, 50 percent of the costs of project b2582 are allocated using solution-based DFAX and the other 50 percent are allocated on a load ratio share basis. The sixty Lower Voltage Facilities are Reliability Projects that are not needed to support Regional Facilities, and thus 100 percent of their costs are allocated based on a solution-based DFAX analysis.

⁸ *Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities*, Order No. 1000, FERC Stats. & Regs. ¶ 31,323 (2011) (Order No. 1000), *order on reh'g*, Order No. 1000-A, 139 FERC ¶ 61,132, *order on reh'g and clarification*, Order No. 1000-B, 141 FERC ¶ 61,044 (2012), *aff'd sub nom. S.C. Pub. Serv. Auth. v. FERC*, 762 F.3d 41 (D.C. Cir. 2014).

⁹ The Commission accepted the regional cost allocation method as part of PJM's Order No. 1000 compliance filings. *See, PJM Interconnection, L.L.C.*, 142 FERC ¶ 61,214 (2013), *order on reh'g and compliance*, 147 FERC ¶ 61,128 (2014), *order on reh'g and compliance*, 150 FERC ¶ 61,038, *order on reh'g and compliance*, 151 FERC ¶ 61,250 (2015).

¹⁰ Cost responsibility assignments for RTEP upgrades approved prior to the Commission's acceptance of the PJM Transmission Owners' Order No. 1000-compliant cost allocation method are included in Schedule 12-Appendix of the Tariff.

III. Notice of Filing and Responsive Pleadings

5. Notice of the March 2015 RTEP Filing was published in the *Federal Register*, 80 Fed. Reg. 15,999 (2015), and notice of the errata filing was published in the *Federal Register*, 80 Fed. Reg. 18,225 (2015). Interventions and protests were due on or before April 20, 2015.

6. Illinois Commerce Commission filed a notice of intervention. Timely motions to intervene were submitted by: Exelon Corporation; American Electric Power Service Corporation; Consolidated Edison Company of New York; Dayton Power and Light Company (Dayton); Rockland Electric Company; Delaware Division of the Public Advocate; Pepco Holdings, Inc.; Potomac Electric Power Company; Delmarva Power & Light Company; Atlantic City Electric Company; Old Dominion Electric Cooperative (ODEC); Dominion Resources Services (Dominion); FirstEnergy Service Company; PPL Electric Utilities; PSEG Energy Resources & Trade LLC; Public Service Electric and Gas Company; North Carolina Electric Membership Corporation (NCEMC); and American Municipal Power, Inc.

7. Virginia Electric and Power Company and NCEMC filed comments in support.¹¹ On March 24, 2015 Dayton filed a protest of the March 2015 RTEP Filing. On April 8, 2015, ODEC filed an answer to Dayton's protest. On April 15, 2015, Dayton filed an answer to ODEC's answer. On April 23, 2015, PJM filed an answer to Dayton's protest. On April 27, 2015, Dayton filed an answer to PJM's answer. On April 30, 2015, ODEC filed an answer to Dayton's answers.

8. Dayton protests the cost allocation for project b2582. Dayton states that project b2582 was originally proposed as a Supplemental Project for which Dominion would be responsible for 100 percent of the costs,¹² but Dominion subsequently revised its local transmission owner planning criteria so that the costs of project b2582 would be allocated regionally.¹³ Dayton argues that the criteria PJM used to determine that

¹¹ Dominion filed comments on behalf of Virginia Electric and Power Company.

¹² A Supplemental Project is defined as a transmission expansion or enhancement that is not required for compliance with the following PJM criteria: system reliability, operational performance or economic criteria, pursuant to a determination by PJM, and is not a state public policy project pursuant to Operating Agreement, Schedule 6, § 1.5.9(a)(ii). PJM, Intra-PJM Tariffs, Operating Agreement (Definitions).

¹³ Dominion proposed the project to PJM's Transmission Expansion Advisory Committee on July 10, 2013 as a Supplemental Project.

project b2582 is a regional project selected in the RTEP for purposes of cost allocation was based solely on Dominion's local planning criteria and not PJM's planning criteria.¹⁴ Dayton argues that Dominion is utilizing a loophole in Order No. 1000 by unilaterally updating its local planning criteria so that project b2582 qualifies as a Regional Facility that can use the PJM regional cost allocation method. Dayton states this is a loophole in the Order No. 1000-compliant planning processes in which transmission owners can socialize the costs for projects that would otherwise be allocated 100 percent to the Transmission Owner, based only on local planning criteria.¹⁵ Dayton asks the Commission to reject the cost allocation for project b2582.

9. ODEC supports the March 2015 RTEP Filing, stating PJM followed its cost allocation procedures under its Operating Agreement and Tariff. ODEC states Schedule 6 of the PJM Operating Agreement requires PJM to consider individual Transmission Owner criteria included in FERC Form No. 715 in the development of the PJM RTEP, and Schedule 12 of the Tariff sets forth cost allocation requirements for projects included in the RTEP.¹⁶ ODEC maintains PJM evaluated project b2582, using Dominion planning criteria filed pursuant to FERC Form No. 715, and found project b2582 was necessary to satisfy the end-of-life criterion. Dominion stated it presented the new end-of-life criterion during a September 2014 PJM Planning Committee meeting and posted the revisions to the PJM website, which gave interested parties the opportunity to comment on proposed changes.

10. NCEMC also supports the March 2015 RTEP Filing, stating PJM properly designated project b2582 a baseline project, consistent with its existing tariff requirements, which included Dominion's local planning criteria filed in FERC Form No. 715.¹⁷

11. In its answer, PJM states Dominion's planning criterion is just and reasonable, and was applied to project b2582 consistently with PJM's regional transmission planning process. PJM states Dominion presented its end-of-life criterion to PJM's Planning Committee in September 2014, including its two metrics that: (1) the facility must be nearing, or has already passed, its end-of-life; and (2) continued operation of the facility

¹⁴ Dayton Protest at 3, citing Attachment 1 to March 2015 RTEP Filing, which lists the criteria test for project b2582 as "Dominion Planning Criteria."

¹⁵ Dayton Protest at 4.

¹⁶ ODEC Comments at 3-4.

¹⁷ NCEMC Comments at 3-4.

would risk negatively impacting the reliability of the transmission system. PJM states when a facility is determined to violate its end-of-life criterion, Dominion will assess whether or not replacing the facility is the most effective solution or if an alternative should be utilized. PJM states procedurally, Dominion's transmission planning criteria were posted to PJM's website for review and comment,¹⁸ and were filed in a FERC Form No. 715. PJM states once the new end-of-life criterion was filed and posted, PJM included the new criterion in its analysis pursuant to Section 1.2(e) of Schedule 6 of the Operating Agreement.¹⁹ Based on its analysis, which included Dominion's end-of-life criterion, PJM states it confirmed there would be violations of regional reliability criteria without project b2582 designated as a Regional Facility.²⁰

12. In its answer to PJM, Dayton states it did not object to Dominion's proposed end-of-life criterion, but it objected to allowing a change in local planning criteria that would re-categorize a Supplemental Project to a project eligible for regional cost allocation in PJM's RTEP.²¹ Dayton also states it acted alongside other PJM Transmission Owners to submit a FPA section 205 filing to revise PJM's tariff in order to clarify projects selected to address local planning criteria issues would not be eligible for regional cost allocation, but rather their costs would be allocated 100 percent to the zone of the local transmission owner.²²

13. In an answer to Dayton, ODEC states there was nothing inappropriate about Dominion's end-of-life criterion.²³ ODEC states Dominion's end-of-life criterion does not dictate the replacement of existing facilities, but evaluates alternatives to replacing facilities. ODEC states the Commission should not defer application of the currently-effective filed rate for the proposed Tariff revisions in Docket No. ER15-1387-000.²⁴

¹⁸ PJM Answer at 4. PJM states that it did not receive any written comments in opposition to Dominion's proposed end of life criterion.

¹⁹ PJM Answer at 5, citing Schedule 6 of Operating Agreement.

²⁰ PJM Answer at 4.

²¹ Dayton Answer at 7.

²² Dayton Answer at 5, referencing the PJM Transmission Owner Tariff revision proposal in Docket No. ER15-1387-000.

²³ ODEC Answer at 2.

²⁴ ODEC Answer at 3.

IV. Deficiency Letter

14. On June 16, 2015, Commission staff issued a deficiency letter advising PJM that the March 2015 RTEP Filing was deficient and requiring PJM to provide additional information (Deficiency Letter). The Deficiency Letter sought information regarding: (1) the process and analysis PJM uses to re-categorize a Supplemental Project as a baseline upgrade that is eligible for regional cost allocation and the process PJM followed to make such a re-categorization for project b2582; (2) the process by which a PJM Transmission Owner updates its local planning criteria and the process that was followed to update local planning criteria related to project b2582; and (3) the processes PJM followed with respect to the identification and analysis of project b2582, including opportunities for stakeholder input and whether PJM established a proposal window for the needs that project b2582 addresses.

15. On July 17, 2015, PJM submitted a response to the Deficiency Letter (Deficiency Letter Response). Among other things, PJM stated that there are no provisions in the Tariff, Operating Agreement, or PJM Manuals that explain how PJM re-categorizes a Supplemental Project as a baseline upgrade that is eligible for regional cost allocation,²⁵ or that detail the process by which a transmission owner updates its local planning criteria.²⁶ PJM also stated there was no reason to solicit proposals for the needs that project b2582 addresses through a proposal window because project b2582 is a rebuild of an existing transmission facility, which the Operating Agreement requires be assigned to the Transmission Owner.²⁷ Finally, PJM stated it presented project b2582 as a proposed reliability project in the Transmission Expansion Advisory Committee meetings on October 9, 2014 and January 7, 2015, prior to recommending the project to the PJM Board. PJM clarified that in those meetings stakeholders had the opportunity to review the criteria, assumptions, and models for project b2582.²⁸

16. Notice of the Deficiency Letter Response was published in the *Federal Register*, 80 Fed. Reg. 44,951 (2015), with comments due on August 7, 2015. ODEC and NCEMC filed timely comments in support of the Deficiency Letter Response. Dayton filed a timely protest.

²⁵ Deficiency Letter Response at 3.

²⁶ Deficiency Letter Response at 5.

²⁷ Deficiency Letter Response at 10, citing Operating Agreement, Schedule 6, § 1.5.8(l).

²⁸ *Id.* at 5-6.

17. Dayton reiterates that the reliability criterion that project b2582 meets is a local planning criterion developed solely by Dominion, and project b2582 would not have been selected in the RTEP for purposes of regional cost allocation if Dominion had not made a unilateral change to its local planning criteria through the FERC Form No. 715.²⁹ Dayton also argues PJM's Deficiency Letter Response confirms that PJM has no role in evaluating changes to local planning criteria, and that the opportunity to comment on these projects is not sufficient as no party has the opportunity to reject local planning criteria changes.³⁰

V. Order Accepting and Suspending Subject to a Technical Conference

18. On September 15, 2015, the Commission accepted the Tariff records for filing and suspended them for five months, subject to refund, to become effective February 16, 2016, or an earlier date set forth in a subsequent order.³¹ The Commission found that the proposed Tariff revisions had not been shown to be just and reasonable, and may be unjust, unreasonable, unduly discriminatory, or otherwise unlawful. The September 2015 Order directed staff to establish a technical conference, noting that the technical conference would also address related concerns raised in Docket No. ER15-1387-001.³²

VI. Technical Conference and Comments

19. On November 12, 2015, Commission staff held a technical conference to discuss PJM's application of its Order No. 1000-compliant transmission planning process to local transmission facilities. The Commission requested Post-Technical Conference Comments on several issues, including the planning processes for FERC Form No. 715 criteria, processes for reclassifying Supplemental Projects, and whether a proposal window should have been opened for project b2582.

20. PJM states project b2582 was identified as needed for reliability based on PJM's independent engineering judgment regarding the condition assessment and PJM's analyses that identified NERC criteria violations with the line removed from service.³³

²⁹ Dayton Protest to Deficiency Letter Response at 2 – 3.

³⁰ *Id.* at 4.

³¹ *PJM Interconnection, L.L.C.*, 152 FERC ¶ 61,197 (2015) (September 2015 Order).

³² *See PJM Interconnection, L.L.C.*, 151 FERC ¶ 61,172 (2015).

³³ PJM Conference Comments at 8.

PJM states the construction responsibility for project b2582 was designated to Dominion, the incumbent transmission owner of the existing transmission facility, without including it in a proposal window. PJM states it based this decision on the need to resolve the multiple NERC criteria violations as soon as possible, given the condition of the transmission facilities, which created an immediate need for the project. PJM determined that as a result of this immediate need, a proposal window for project b2582 was not feasible.³⁴

21. PJM states when a proposal window for an Immediate-need Reliability project is not feasible, it must post on its website: (1) a description of the project, including an explanation of the decision to designate the project to the incumbent transmission owner rather than conduct a proposal window; (2) an explanation of the time sensitive need for the Immediate-need Reliability project; (3) other transmission and non-transmission options considered but found to be insufficient to address the immediate reliability need; (4) the circumstances that generated the immediately reliability need; and (5) why the immediate reliability need was not identified earlier. PJM states all of this information was included in a presentation to the Transmission Expansion Advisory Committee, but admittedly the project was not explicitly labeled as an “Immediate Need Reliability Project.” PJM states that, instead, the immediate need for the project was made clear by the in-service date of June 1, 2018.³⁵

22. Dayton states if a project is eligible for regional cost allocation, it should be subject to a proposal window process, even if the project is a rebuild of an existing transmission line. Dayton states this is because a third party could potentially complete the project more cost-effectively than the local Transmission Owner. Given this perspective, Dayton states a proposal window should have been opened for project b2582.³⁶

23. Dominion states, as mentioned in PJM’s Deficiency Letter Response, under the currently filed rate, PJM was not required to open a proposal window because section 1.5.8(1) of Schedule 6 of the Operating Agreement provides that upgrades to a Transmission Owner’s facilities are designated to the Transmission Owner zone where the facilities are located. Dominion recommends PJM develop a region-wide end-of-life

³⁴ PJM Conference Comments at 11.

³⁵ PJM Conference Comments at 11-12.

³⁶ Dayton Conference Comments at 8-9.

criterion, as all Transmission Owners have aging infrastructure that needs to be replaced, and the region-wide criterion would ensure all replacement projects are handled consistently.³⁷

24. The PJM Transmission Owners suggest it would be logical to only use FERC Form No. 715 criteria on file with the Commission prior to the beginning of the process of applying PJM Reliability Criteria to the planning assumptions.³⁸ The PJM Transmission Owners state placing timing restrictions on FERC Form No. 715 criteria would create a more efficient and orderly planning cycle, which would enhance the ability of stakeholders to provide input, and would not likely have serious negative impacts.³⁹

VII. Commission Determination

25. We accept PJM's proposed cost assignments, in part, effective February 16, 2016. However, as explained below we reject PJM's proposed cost assignment for project b2582.

26. In reviewing PJM's cost allocation filings, the Commission determines whether the assignments of cost responsibility are consistent with the provisions of Schedule 12, and whether the Required Transmission Enhancements are developed consistent with the provisions of the Operating Agreement. The record in this proceeding, including information provided during and after the technical conference, confirms that the projects at issue here, and in particular, project b2582, were developed in accordance with Schedule 6 of the Operating Agreement.

27. We find PJM provided evidence to demonstrate that project b2582 is an Immediate-need Reliability project, for which a proposal window was infeasible, consistent with section 1.5.8(m) of Schedule 6 of the Operating Agreement. PJM has demonstrated the project must go into service within three years or less in order to avoid several regional Reliability Criteria violations, and PJM followed the stakeholder process

³⁷ Dominion Conference Comments at 13.

³⁸ Thus, project b2582 would not have been eligible for regional cost allocation, since Dominion updated its FERC Form No. 715 criteria during a planning cycle.

³⁹ PJM Transmission Owner's Conference Comments at 16. PJM Transmission Owners note that there may be a several month delay in considering a new FERC Form No. 715 criterion; however, this would not likely have a significant impact on system reliability in a 12-month transmission planning cycle.

outlined in its Operating Agreement.⁴⁰ While we find the information provided during the stakeholder process meets the basic requirements of PJM's provisions in the Operating Agreement for Immediate-need Reliability projects, we also find PJM should provide more transparency to stakeholders regarding Immediate-need Reliability Projects, particularly regarding Supplemental Projects that are reclassified as Immediate-need Reliability Projects. PJM acknowledged that there is no process in Schedule 6 of the Operating Agreement or the PJM Manuals that details how a Supplemental Project is reclassified, and argues such process is not needed since it reviews Supplemental Projects in every planning cycle to determine if criteria violations, as defined in section 1.2(e) of the Operating Agreement, are identified in the absence of the project.⁴¹ PJM should be more explicit when posting information regarding Immediate-need Reliability Projects, including Supplemental Projects that have been reclassified as Immediate-need Reliability Projects, and tie such information to the specific requirements of the Operating Agreement.⁴² In particular, comments on these projects should be posted on PJM's website separately from the Transmission Expansion Advisory Committee meeting materials for all other transmission projects. We expect PJM will improve its processes to post information.

28. We also find that, at the time PJM submitted the cost allocations at issue here, it followed the cost allocation procedures set forth in Schedule 12 of the OATT. However, in an order being issued concurrently with the instant order, the Commission is granting rehearing in Docket No. ER15-1387-001, and accepting the PJM Transmission Owners' proposed cost allocation method for transmission projects that are included in the RTEP solely to address local transmission owner planning criteria to be 100 percent allocated to the Transmission Owner zone.⁴³ The effective date of the new cost allocation method, May 25, 2015, precedes the effective date of the cost responsibility for project b2582 in the instant filing. Therefore, we reject PJM's proposed cost assignment for project b2582 and direct PJM to file, within 30 days of the date of issuance of this order, a compliance filing with revised tariff sheets to reflect the cost responsibility for project b2582 determined through the application of the PJM Transmission Owners' proposal that we are accepting in Docket No. ER15-1387-001.

⁴⁰ PJM Operating Agreement, Schedule 6, § 1.5.8(m)(1)

⁴¹ PJM Conference Comments at 7, citing PJM, Operating Agreement, Schedule 6 § 1.2(e).

⁴² PJM Operating Agreement, Schedule 6, § 1.5.8(m)(1)

⁴³ See *PJM Interconnection, L.L.C.*, 154 FERC ¶ 61,096 (2016).

The Commission orders:

(A) The proposed tariff revisions are hereby accepted in part, as discussed in the body of this order, and rejected for project b2582.

(B) Filing Parties are hereby directed to submit a further compliance filing within 30 days of the date of this order, as discussed in the body of this order.

By the Commission. Commissioner LaFleur is dissenting in part with a separate statement attached.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

PJM Interconnection, L.L.C.

Docket No. ER15-1344-001

(Issued February 12, 2016)

LaFLEUR, Commissioner *dissenting in part*:

Consistent with my partial dissent in the companion order issued today,¹ I would accept PJM's proposed cost assignment for project b2582, a rebuild of the Elmont – Cunningham 500 kV transmission line. As explained in that partial dissent, I do not believe the PJM Transmission Owners have demonstrated that 500 kV transmission lines in PJM should no longer be eligible for regional cost allocation if they are proposed solely to address local planning criteria. As a result, I disagree with the order's rejection of the proposed cost assignment for project b2582.

Accordingly, I respectfully dissent in part.

Cheryl A. LaFleur
Commissioner

¹ *PJM Interconnection, L.L.C.*, 154 FERC ¶ 61,096 (2015) (LaFleur, Comm'r, dissenting in part).