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FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, DC 20426

December 2, 2019

In Reply Refer To:  
PJM Interconnection, L.L.C.  
Docket No. ER20-34-000

Midcontinent Independent System  
Operator, Inc.  
Docket No. ER20-36-000

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

Attn: Pauline Foley, Esq.

Midcontinent Independent System Operator, Inc.  
2985 Ames Crossing Road  
Eagan, Minnesota 55121

Attn: Kari Valley, Esq.

Dear Ms. Foley and Ms. Valley:

1. On October 3, 2019, pursuant to section 205 of the Federal Power Act (FPA)<sup>1</sup> and Part 35 of the Commission's regulations,<sup>2</sup> PJM Interconnection L.L.C. (PJM) and Midcontinent Independent System Operator, Inc. (MISO) (together, Filing Parties) filed, in the referenced dockets, identical proposed revisions to Article IX of the Joint

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<sup>1</sup> 16 U.S.C. § 824d (2018).

<sup>2</sup> 18 C.F.R. pt. 35 (2019).

Operating Agreement between Filing Parties (MISO-PJM JOA)<sup>3</sup> to further clarify the Coordinated System Plan (CSP) process,<sup>4</sup> as well as to address inconsistencies that they state they overlooked in prior filings.<sup>5</sup>

2. Filing Parties state that the proposed revisions to the MISO-PJM JOA will: (1) clarify that a CSP study that includes a more complex, longer duration study provides for, but does not require, the development of a joint model; (2) clarify that construction of interregional transmission projects is subject to the regional tariff in which the facilities will be constructed; (3) remove the Interregional Market Efficiency Project<sup>6</sup> criterion that at least one dispatchable generator in the adjacent market has a generation-to-load distribution factor of five percent or greater; (4) remove references to use of a joint model from the determination of benefits for Filing Parties' markets; (5) remove the legacy provision that allows Filing Parties to test any project against interregional cost allocation criteria outside a CSP study; and (6) make miscellaneous clean up revisions. Filing

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<sup>3</sup> The MISO-PJM JOA is a Commission-filed rate schedule of both PJM and MISO. The MISO-PJM JOA is designated as PJM's Rate Schedule No. 38 and MISO's Rate Schedule No. 5. Although Filing Parties propose identical amendments to the MISO-PJM JOA, each Party maintains its own version of the MISO-PJM JOA in its own e-Tariff database at the Commission. Accordingly, each Party must separately file the proposed amendments. As a result, Filing Parties are submitting two filings concurrently to the Commission to implement the proposed amendments in Docket No. ER20-34-000 (PJM Filing) and Docket No. ER20-36-000 (MISO Filing).

<sup>4</sup> Article IX of the MISO-PJM JOA governs Coordinated Regional Transmission Expansion Planning between Filing Parties. The MISO-PJM JOA CSP process provides two types of studies: (i) a targeted study completed on a one-year calendar basis that focuses on particular areas, needs or potential expansions to ensure reliability coordination between the Filing Parties; and (ii) a more complex, two-year cycle study, involving model development that addresses reliability, market efficiency or public policy needs. MISO-PJM JOA, section 9.3.7.2(a)(vii).

<sup>5</sup> PJM, Interregional Agreements, [9.3, MISO-JOA 9.3 Coordinated System Planning, 6.0.0](#); and [9.4, MISO-JOA 9.4 Allocation of Costs of Network Upgrades, 10.0.0](#); MISO FERC Electric Tariff, MISO Rate Schedules, [Section 9.3, Coordinated System Planning, 41.0.0](#); and [Section 9.4, Allocation of Costs of Network Upgrades, 48.0.0](#).

<sup>6</sup> Under the MISO-PJM JOA, an interregional economic transmission project is called an Interregional Market Efficiency Project. *See* MISO-PJM JOA, section 9.4.4.1.3.

Parties also state that these proposed MISO-PJM JOA revisions reflect the result of their stakeholder processes and are intended to improve and add greater clarity to development of the CSP process.<sup>7</sup>

3. Notice of the PJM Filing in Docket No. ER20-34-000 was published in the *Federal Register*, 84 Fed. Reg. 54,137 (2019). Notice of the MISO Filing in Docket No. ER20-36-000 was published in the *Federal Register*, 84 Fed. Reg. 54,602 (2019). Interventions and protests were due on or before October 24, 2019. American Municipal Power, Inc. and Exelon Corporation submitted timely motions to intervene in both the MISO Filing proceeding and the PJM Filing proceeding. American Electric Power Service Corporation (AEP);<sup>8</sup> Calpine Corporation; Monitoring Analytics, LLC, acting in its capacity as the Independent Market Monitor for PJM; and NRG Power Marketing LLC filed timely motions to intervene in the PJM Filing proceeding. Alliant Energy Corporate Services, Inc.; Ameren Services Company;<sup>9</sup> Consumers Energy Company; Cooperative Energy; and Entergy Services, LLC<sup>10</sup> submitted timely motions to intervene in the MISO Filing. PJM and Northern Indiana Public Service Company (NIPSCO) submitted motions to intervene out-of-time in the MISO Filing proceeding. MISO submitted a motion to intervene out-of-time in the PJM Filing proceeding. International Transmission Company (ITC) Companies<sup>11</sup> submitted timely motions to intervene and comments in both the MISO Filing and the PJM Filing proceedings. Filing Parties

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<sup>7</sup> PJM Filing at 2-3; MISO Filing at 2.

<sup>8</sup> AEP submitted its motion to intervene on behalf of itself and the following affiliates: Appalachian Power Company, Indiana Michigan Power Company, Kentucky Power Company, Kingsport Power Company, Ohio Power Company, Wheeling Power Company, AEP Appalachian Transmission Company, AEP Indiana Michigan Transmission Company, AEP Kentucky Transmission Company, AEP Ohio Transmission Company, and AEP West Virginia Transmission Company.

<sup>9</sup> Ameren Services Company submitted its motion to intervene on behalf of: Ameren Illinois Company, Ameren Transmission Company of Illinois, and Union Electric Company.

<sup>10</sup> Entergy Services, LLC submitted its motion to intervene on behalf of: Entergy Arkansas, LLC, Entergy Louisiana, LLC, Entergy Mississippi, LLC, Entergy New Orleans, LLC, and Entergy Texas, Inc.

<sup>11</sup> ITC Companies consist of: ITC Transmission, Michigan Electric Transmission Company, LLC, and ITC Midwest LLC.

submitted an answer to ITC Companies' comments in both the MISO Filing and PJM Filing proceedings. No protests were filed.

4. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2019), the timely, unopposed motions to intervene serve to make the entities that filed them parties to the proceeding in which they were filed. In addition, pursuant to Rule 214(d) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214(d) (2019), we grant NIPSCO's and PJM's late-filed motions to intervene in the MISO Filing proceeding and MISO's late-filed motion to intervene in the PJM Filing proceeding given their interests in the proceedings, the early stage of the proceedings, and the absence of undue prejudice or delay. Further, Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2019), prohibits an answer to a protest unless otherwise ordered by the decisional authority. We accept Filing Parties' answer because it has provided information that assisted us in our decision-making process.

5. ITC Companies submitted comments stating that they generally support Filing Parties' proposed revisions to the MISO-PJM JOA. They state that the changes represent a step in the right direction in improving the MISO-PJM interregional transmission planning process.<sup>12</sup> However, ITC Companies state that they have raised to the Organization of MISO States and Southwest Power Pool, Inc. (SPP) that there are additional changes that should be made to improve interregional transmission planning among MISO, PJM, and SPP.<sup>13</sup> ITC Companies state that the MISO-PJM interregional transmission planning process generally disfavors identification and selection of broadly beneficial interregional transmission projects. ITC Companies suggest that the Commission should continue to explore opportunities to resolve these challenges<sup>14</sup> and to consider elevating interregional transmission planning processes to a more equal footing with their respective regional counterparts.<sup>15</sup>

6. In response to ITC Companies, Filing Parties state that, while they appreciate ITC Companies' stakeholder participation in developing improvements to the MISO-PJM

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<sup>12</sup> ITC Companies Comments at 2.

<sup>13</sup> *Id.* at 3.

<sup>14</sup> *Id.* at 6.

<sup>15</sup> *Id.* at 3.

JOA,<sup>16</sup> the Commission should reject their comments as outside of the scope of the current proceeding.<sup>17</sup>

7. We accept Filing Parties' proposed revisions to the MISO-PJM JOA, effective December 3, 2019, as requested. We find that the revisions are just and reasonable, and we agree with Filing Parties that the proposed revisions improve and add clarity to the CSP process. We reject as beyond the scope of these proceedings ITC Companies' comments regarding the need for other revisions to the MISO-PJM JOA.

By direction of the Commission.

Kimberly D. Bose,  
Secretary.

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<sup>16</sup> Filing Parties Answer at 5.

<sup>17</sup> *Id.* at 2.