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The Honorable James Richard Perry
Secretary of the Energy
United States Department of Energy
1000 Independence Ave, SW
Washington, DC 20585

Re: Order No. 202-18-6 Renewal Application Filing

Dear Secretary Perry:

Pursuant to Section 202(c) of the Federal Power Act (“FPA”),¹ Section 301(b) of the Department of Energy Organization Act,² the Department of Energy’s (“DOE”) Rules of Practice and Procedure³ and Order No. 202-18-6 issued on December 6, 2018, by the Secretary of Energy (“Secretary”), PJM Interconnection, L.L.C. (“PJM”) respectfully submits a request for a 30-day renewal of Order No. 202-18-6 to address a continuing emergency in the North Hampton Roads area of Virginia due to the shortage of electric energy and the shortage of facilities for the generation and transmission of electric energy. PJM incorporates by reference PJM’s initial application submitted on June 13, 2017, and all attachments and appendices thereto (the “June 13 Application”). PJM also incorporates by reference (i) PJM’s renewal applications submitted: August 24, 2017 (the “August 24 Application”), November 29, 2017 (the “November 29 Application”), February 20, 2018 (the “February 20 Application”), May 21, 2018 (the “May 21 Application”), August 17, 2018 (the “August 17 Application”), November 13, 2018 (the

¹ 16 U.S.C. § 824a(c).

² 42 U.S.C. § § 7101 and 7151(b).

³ 16 C.F.R. §§ 205.370, 205.371 and 205.372 and 205.373.

“November 13 Application”) and all attachments and appendices thereto (collectively “Renewal Applications”); and (ii) the compliance reports submitted to the DOE by PJM and Virginia Electric and Power Company (“Dominion Energy Virginia”) concerning the operations and associated emission and water usage data and/or schedule estimate changes referenced below. PJM respectfully requests that the Secretary grant this renewal application prior to the expiration of the current order (*i.e.* prior to March 8, 2019) for the 30 day period March 9, 2019 through April 8, 2019.⁴

I. BACKGROUND

A. The June 13 Application

In the June 13 Application, PJM stated the need to request renewals of the Order No. 202-17-2 issued on June 16, 2017 on a rolling basis until the PJM ordered Regional Transmission Expansion Planning Process (“RTEPP”) Skiffes Creek Transmission Project is placed into service, which was originally anticipated to be completed in 18-20 months once all permits are issued.⁵ In Order No. 202-17-2, the Secretary determined “that an emergency exists in the Commonwealth of Virginia due to a shortage of electric energy, a shortage of facilities for the generation of electric energy, and other causes, and that issuance of this Order will meet the emergency and serve the public interest.”⁶ In doing so, the Secretary directed Dominion Energy

⁴ As explained below, the outage schedule for the Skiffes Creek Transmission Project is currently scheduled to be completed on February 28, 2019; however, given the possibility of construction or other project delays, PJM requests an additional 30 day renewal period to address any unforeseen project difficulties and the ongoing emergency until the Skiffes Creek Transmission Project is completed.

⁵ As discussed below, PJM and Dominion Energy Virginia submitted reports updating the outage schedule for the Skiffes Creek Transmission Project in accordance with the Secretary’s directives.

⁶ Order No. 202-17-2, page 1.

Virginia to operate Yorktown Units 1 and 2 as directed by PJM as needed to address reliability issues for the initial 90-day period, June 16, 2017 to September 14, 2017, or any renewal thereof.⁷ The Secretary also directed PJM and Dominion Energy Virginia to develop and implement a dispatch methodology and submit it to the DOE upon implementation.⁸ The dispatch methodology was submitted by PJM on June 27, 2017.

B. The Renewal Applications.

In the Renewal Applications, PJM submitted requests for 90 day renewals of DOE Order Nos. 202-17-2 (issued June 16, 2017), 202-17-4 (issued September 14, 2017), 202-18-2 (issued December 13, 2017), 202-18-3 (issued March 13, 2018), 202-18-4 (issued June 8, 2018), 202-18-5 (issued September 5, 2018), and 202-18-6 (issued December 6, 2018) successively (collectively the “Renewal Orders”). The Renewal Applications requested orders of the Secretary under Section 202 (c) of the FPA which provided among other things that an emergency continued to exist in the Commonwealth of Virginia due to a shortage of electric energy, a shortage of facilities for the generation of electric energy, and other causes, and that issuance of a renewal order will meet the emergency and serve the public interest for another 90 renewal period. Following each Renewal Application the Secretary issued the Renewal Orders determining “that an emergency continues to exist in the North Hampton Roads area of Virginia due to a shortage of electric energy and a shortage of facilities for the generation and transmission of electric energy.”⁹

⁷ Order No. 202-17-2, page 2.

⁸ Order No. 202-17-2, page 2.

⁹ Order No. 202-17-2, page 1; Order No. 202-17-4 page 1; Order No. 202-18-2 page 1; Order No. 202-18-3 page 1; Order No. 202-18-4 page 1; Order No. 202-18-5 page 1; and Order No. 202-18-6 at page 1.

C. The November 13 Application for Renewal of Order No. 202-18-5.

In response to the most recent prior renewal application (*i.e.* the November 13 Application), the Secretary issued Order No. 202-18-6 which determined “that an emergency continues to exist in the North Hampton Roads area of Virginia due to a shortage of electric energy and a shortage of facilities for the generation and transmission of electric energy.”¹⁰ Thus, the Secretary granted PJM’s November 13 Application allowing operation of Yorktown Units 1 and 2, for an additional 90-day period to expire on March 8, 2019.¹¹ Order No. 202-18-6 directs any renewal request must be submitted at least 21 calendar days before Order No. 202-18-6 expires.¹² Since Order No. 202-18-6 expires on March 8, 2019, PJM respectfully submits this renewal request.¹³

D. Compliance Reports.

In compliance with the Secretary’s reporting directives, PJM and Dominion Energy Virginia have submitted the following reports:

1. On September 28, 2017, PJM and Dominion Energy Virginia submitted a report regarding PJM’s dispatch and the associated operations of Yorktown Units 1 and/or 2.
2. On August 22, 2017, PJM and Dominion Energy Virginia submitted a report regarding PJM’s dispatch and the associated operations of Yorktown Units 1 and/or 2.

¹⁰ Order No. 202-18-6, page 1.

¹¹ Order No. 202-18-6, page 2.

¹² Order No. 202-18-6, page 2, paragraph D.

¹³ DOE staff requested PJM file this renewal application on February 8, 2019.

3. On October 12, 2017, PJM and Dominion Energy Virginia submitted a report revising the Skiffs Creek Transmission Project construction schedule and providing associated emission estimates.
4. On November 9, 2017, PJM and Dominion Energy Virginia submitted a report regarding PJM's dispatch and the associated operations of Yorktown Units 1 and/or 2.
5. On March 16, 2018, PJM and Dominion Energy Virginia submitted a report updating the outage schedule for the Skiffes Creek Transmission Project.
6. On April 25, 2018, PJM and Dominion Energy Virginia submitted a report regarding a test run of Yorktown Units 1 and 2 on April 11, 2018.
7. On May 9, 2018, PJM and Dominion Energy Virginia submitted a report regarding PJM's dispatch and the associated operations of Yorktown Units 1 and/or 2.
8. On June 6, 2018, PJM and Dominion Energy Virginia submitted a report regarding PJM's dispatch and the associated operations of Yorktown Units 1 and/or 2.
9. On June 20, 2018, PJM and Dominion Energy Virginia submitted a report regarding PJM's dispatch and the associated operations of Yorktown Units 1 and/or 2.
10. On July 3, 2018, PJM and Dominion Energy Virginia submitted a report updating the construction schedule for the Skiffes Creek Transmission Project for the Yorktown-Lanexa 34 115 kV Transmission Line which did not change the runtime estimates for the Yorktown units.
11. On July 3, 2018, PJM and Dominion Energy Virginia submitted a report regarding PJM's dispatch and the associated operations of Yorktown Units 1 and/or 2.
12. On July 18, 2018, PJM and Dominion Energy Virginia submitted a report regarding PJM's dispatch and the associated operations of Yorktown Units 1 and/or 2.
13. On September 12, 2018, PJM and Dominion Energy Virginia submitted a report regarding PJM's dispatch and the associated operations of Yorktown Units 1 and/or 2.
14. On September 26, 2018, PJM and Dominion Energy Virginia submitted a report regarding PJM's dispatch and the associated operations of Yorktown Units 1 and/or 2.
15. On October 2, 2018, PJM and Dominion Energy Virginia submitted a report revising the Skiffs Creek Transmission Project construction schedule and providing associated emission estimates.
16. On October 10, 2018, PJM and Dominion Energy Virginia submitted a report regarding PJM's dispatch and the associated operations of Yorktown Units 1 and/or 2.

17. On October 24, 2018, PJM and Dominion Energy Virginia submitted a report regarding PJM's dispatch and the associated operations of Yorktown Units 1 and/or 2.
18. On November 7, 2018, PJM and Dominion Energy Virginia submitted a report regarding PJM's dispatch and the associated operations of Yorktown Units 1 and/or 2.
19. On December, 19 2018, PJM and Dominion Energy Virginia submitted a report regarding PJM's dispatch and the associated operations of Yorktown Units 1 and/or 2.
20. On December 26, 2018, PJM and Dominion Energy Virginia submitted a report updating the Skiffs Creek Transmission Project construction schedule.¹⁴

II. RENEWAL REQUEST

As stated in the June 13 Application, the Skiffes Creek Transmission Project was originally expected to be completed and placed into service approximately 18-20 months after receipt of all applicable permits. On December 26, 2018, PJM and Dominion Energy Virginia reported to the Secretary confirming at that time that the construction schedule for the Skiffes Creek Transmission Project is estimated to be complete by March 31, 2019. Dominion Energy Virginia recently notified PJM of 2 successive changes to the estimated Skiffes Creek Transmission Project completion date:

1. On January 22, 2019, Dominion Energy Virginia notified PJM that the Skiffes Creek Transmission Project completion date moved up from March 31, 2019, to March 8, 2019;¹⁵ and
2. On February 6, 2019, Dominion Energy Virginia notified PJM that the Skiffes Creek Transmission Project completion date moved up from March 8, 2019, to February 28, 2019.¹⁶

¹⁴ There were no associated emission estimates changes for Yorktown Units 1 and 2 reported as a result of this construction schedule update.

¹⁵ There are no associated emissions estimates for Yorktown Units 1 and 2 as a result of this construction schedule change.

Nonetheless, due to the possibility of unforeseen delays in construction or other project delays, the emergency continues to exist in the Commonwealth of Virginia due to a shortage of electric energy, a shortage of facilities for the generation of electric energy, and other causes, and that issuance of a renewal order is needed address any unforeseen project difficulties and to meet the ongoing emergency and serve the public interest for an additional 30 day renewal period. In accordance with the Secretary's directives, PJM and Dominion Energy Virginia will report on changes to the Skiffes Creek Transmission Project construction schedule and revised outage schedules as necessary and appropriate. When the Skiffes Creek Transmission Project is completed, PJM will immediately notify the Secretary and DOE legal staff in writing via electronic mail.

Therefore, given the extended nature of the emergency, the emergency continues to exist as set forth in the initial June 13 Application and the Renewal Applications and as determined by the Secretary in the Renewal Orders until such time as PJM notifies the Secretary that the Skiffes Creek Transmission Project is completed. PJM respectfully requests that the Secretary grant this renewal application prior to the expiration of the current order (*i.e.* prior to March 9, 2019) under Section 202 (c) of the FPA.

PJM requests that the renewal order provide as follows:

- (i) That an emergency continues to exist in the North Hampton Roads area of Virginia due to a shortage of electric energy and a shortage of facilities for the generation and transmission of electric energy and that issuance of a renewal Order will meet the emergency and serve the public interest;

¹⁶ There are no associated emissions estimates for Yorktown Units 1 and 2 as a result of this construction schedule change.

- (ii) From March 9, 2018 to April 8, 2019 (or sooner if PJM notifies the Secretary that the Skiffs Creek Transmission Project is completed), Dominion Energy Virginia shall operate Yorktown Units 1 and/or 2 as directed by PJM as needed to maintain grid reliability or for local area transmission issues.
- (iii) The limitations on operations and reporting requirements for operations and estimated emissions ensure, to the maximum extent practicable, consistency with applicable laws and regulations and transparency of implementation;
- (iv) Consistent with the dispatch methodology submitted by PJM on June 27, 2017, good utility practice and the PJM Tariff, PJM and Dominion Energy Virginia shall exhaust all reasonably and practically available resources including demand response and identified behind-the-meter generation resources to the extent that such resources address maintenance of grid reliability, prior to operating Yorktown Units 1 and/or 2;¹⁷
- (v) Dominion Energy Virginia shall continue to follow the dispatch methodology submitted by PJM on June 27, 2017; Every two weeks, PJM and Dominion Energy Virginia shall report all dates on which Yorktown Units 1 and/or 2 are operated as well as the estimated emissions and water usage date for those dates;
- (vi) In the event that the outage schedule or estimates change from those presented in the renewal application, PJM and/or Dominion Energy Virginia shall also provide updated outages schedules and associated Yorktown Units 1 and 2 emission estimates within 2 weeks of such change;
- (vii) PJM and Dominion Energy Virginia shall immediately file a report notifying the Secretary when the Skiffes Creek Transmission Project is completed and Yorktown Units 1 and 2 operations will no longer be required to maintain grid reliability or for local area transmission issues; and
- (viii) In the event the Skiffes Creek Transmission Project is not expected to be completed by March 8, 2019, PJM may file a request for a renewal order no later than March 18, 2019.

Respectfully submitted,

/s/ Steven R. Pincus

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¹⁷ See Footnote 10.

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