



Section 1: Process Overview

In this section you will find an overview of PJM's transmission planning process that culminates in the Regional Transmission Expansion Plan (RTEP). This process (referred to in this Manual interchangeably as the RTEP process or more generically as the PJM Region transmission planning process) is one of the primary functions of Regional Transmission Organizations (RTOs.) As such, PJM implements this function in accordance with the Regional Transmission Expansion Planning Protocol set forth in Schedule 6 of the PJM Operating Agreement.

As further described in following portions of this manual, the PJM RTEP process consists of baseline reliability reviews as well as analysis to identify the transmission needs associated with generation interconnection and merchant transmission interconnection. PJM implements the planning of interconnections as part of the broader RTEP process pursuant to the PJM Open Access Transmission Tariff (OATT.) The relationship between Interconnection planning and the RTEP is discussed in later sections of this manual and in related manuals.

1.1 Planning Process Work Flow

The Manual 14 series provides information regarding PJM's Planning Process to complement Schedule 6 of the PJM Operating Agreement and the planning provisions of the PJM Open Access Transmission Tariff (OATT.) These agreements can be found on-line at <http://www.pjm.com/media/documents/merged-tariffs/oatt.pdf>.

The PJM planning process activities, culminating in PJM's annual Regional Transmission Expansion Plan, constitute PJM's single, Order No. 890 compliant, transmission planning process. All PJM Open Access Transmission Tariff (OATT) facilities are planned through and included in this open, fully participatory, and transparent process.

PJM planning ~~implements a is implemented through an annual~~ cycle centered ~~around~~ on activities of PJM's Planning and Market Simulation functions and their interactions with members, regulatory bodies, and other interested parties primarily through the PJM Transmission Expansion Advisory Committee (TEAC), the Subregional RTEP Committee, and the PJM Planning Committee (PC) forums. Currently, the planning cycle will refer to an 18-month overlapping cycle beginning in September of the prior calendar year and extending to the February of the following calendar year. A new cycle will begin every September, which will overlap the previous cycle (Refer to Exhibit 1). This ongoing process has continued to evolve since 1997, when PJM's Regional Transmission Expansion Planning (RTEP) Protocol (codified in Schedule 6 of PJM's Operating Agreement) was approved by the Federal Energy Regulatory Commission. Since that time, the process has been expanded and enhanced in response to member and regulatory input as documented in the revisions to the OATT, PJM Manual 14 series, and the Operating Agreement Schedule 6. The current PJM Region transmission planning process includes ample opportunity for Stakeholder input through frequent oral and written exchange of information and reviews via the TEAC organizational structure. The process culminates in PJM's presentation of the RTEP for approval by the PJM Board of Managers.

There are four planning paths that ultimately culminate in the PJM RTEP. Facilities in each path allow the opportunity for early, full and transparent participation by interested PJM



stakeholders. The four paths are reliability planning, economic planning, interconnection planning, and local planning.

Reliability and economic planning facilities are produced from PJM's annual-planning cycle activities described in this manual, Operating Agreement Schedule 6, and portrayed in Exhibit 1. PJM leads this analysis and development of upgrades related to reliability and market efficiency planning for all facilities 100 kV and above. These facilities are designated as Bulk Electric System (BES) facilities and are subject to the NERC requirements and criteria for such facilities. The PJM analyses ensure compliance with NERC, PJM and regional criteria. In addition, the PJM led analyses also include analysis and upgrade of transmission facilities with nominal voltages below 100kV to the extent they are under PJM's operational control (see <http://www.pjm.com/markets-and-operations/ops-analysis/transmission-facilities.aspx>). The TEAC, Subregional RTEP Committee, and stakeholder opportunities to engage the process are described in this manual.

The analysis of OATT transmission facilities below 100kV and not under PJM operational control is led by the Transmission Owner (TO.) This is appropriate since local Transmission Owner operations, maintenance and planning personnel oversee these local systems. These facilities typically provide only local transmission function of interest to the customers in the nearby electrical vicinity. The TO analysis ensures local facilities meet NERC and local reliability criteria. In addition, the local Transmission Owner personnel may also develop recommended modifications to transmission facilities that are not required by PJM reliability, market efficiency or operational performance criteria (the non-criteria based upgrades are called Supplemental RTEP Projects.) The Transmission Owner will initiate all reliability-based and supplemental upgrade requests for facilities not under PJM's control. All such projects will be introduced to the PJM Regional planning process through PJM's TEAC and Subregional RTEP Committees. In this way these TO initiated projects will be subject to the same open, transparent and participatory PJM committee activities as PJM initiated projects (see discussion of TEAC and Subregional RTEP Committee.)

Interconnection planning encompasses generator and merchant transmission requests for Interconnections and rerates as well as requests for long-term firm transmission service. Studies of these transmission requests and any resulting transmission modifications are posted to PJM's website in the project queue area (<http://www.pjm.com/planning/generation-interconnection.aspx>). In addition, any necessary facility modifications are brought to the TEAC for presentation and stakeholder participation. Interconnection planning is discussed in more detail in Manual 14A.

1.2 TEAC and Subregional RTEP Committee and Related Activities

The PJM TEAC functions in accordance with its established charter and provisions of Schedule 6 of the Operating Agreement. Additionally, in 2008 PJM began to facilitate more localized planning functions through the Subregional RTEP Committee. The Subregional RTEP Committee, including any local reviews that may be initiated, will follow TEAC procedures and other applicable PJM committee procedures. All PJM stakeholders will be provided with the opportunity for participation in the TEAC and Subregional RTEP Committees and related activities.

The subregional and any related meetings allow more focused and meaningful stakeholder participation and attention to subregional and local transmission issues. RTEP projects are labeled as Regional RTEP Projects and Subregional RTEP Projects, as defined in the



2.1.2 Reliability Planning

Exhibit 1 shows the 24-month Reliability planning process used for the 15-year RTEP horizon. This 24-month planning process integrates the upgrades noted above with information transparency, stakeholder input and review and PJM Board of Manager approvals. Activities shown on this diagram and their timing are for illustrative purposes. The actual timeline may vary to some degree to be responsive to the RTEP and stakeholder needs.

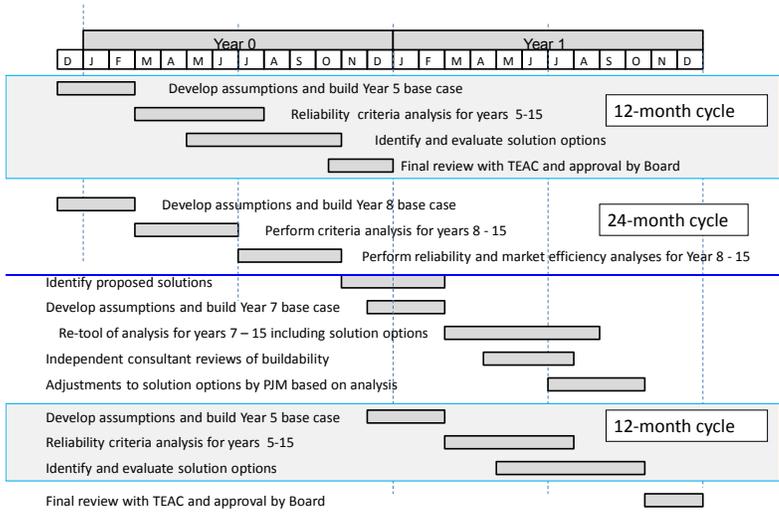
The 24-month planning process is made up of [overlapping 18-month planning cycles \(Refer to Exhibit 1\)](#) ~~to two similar 12-month planning cycles~~ to identify and develop shorter lead-time transmission upgrades and one 24-month planning cycle to provide sufficient time for the identification and development of longer lead-time transmission upgrades that may be required to satisfy planning criteria. Consistent with the requirements of the NERC TPL Reliability Standards the 24-month planning process includes both near-term (years one through five) and long-term (years six through fifteen) assessments of the transmission system as described below.

The first step in the process is to develop the set of assumptions that will be used for the subsequent analyses. These assumptions are vetted with stakeholders at Transmission Expansion Advisory Committee and Subregional RTEP Committees meetings. A series of power-flow base cases are then developed based on the assumptions. The yearly series of cases include the latest information and assumptions available related to load, resources and transmission topology. A new 5-year base case is developed for near-term baseline reliability analysis. Base cases for retool analyses of years closer than 5-years are developed as required.

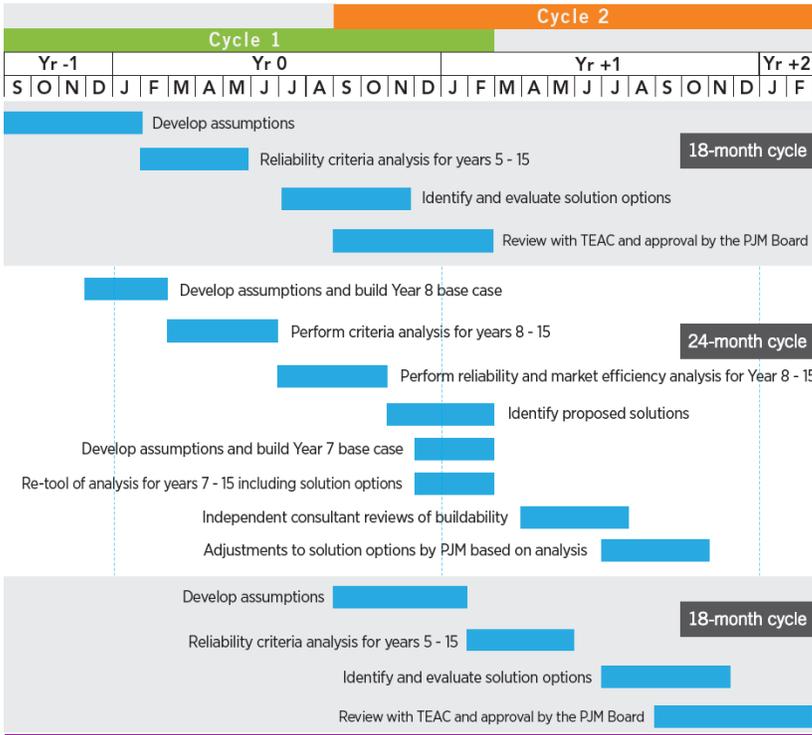
In addition to these near-term base cases additional power-flow base cases are developed for long-term planning. These long-term cases are used to evaluate the need for more significant projects requiring a longer time to develop. These longer lead time projects generally provide a more regional benefit. The long-term base case developed at the start of each 24-month planning cycle is based on the system conditions that are expected to exist in year eight. As noted in Exhibit 1, this 8-year out base case is updated and retooled at the start of the second year of the 24-month planning cycle (i.e. at that point a 7-year out base case), with additional criteria analysis being run to validate the findings from the analysis that was conducted during the first year of the 24-month planning cycle.



Manual 14B: PJM Region Transmission Planning Process
Section 2: Regional Transmission Expansion Plan Process



Formatted: Centered





2.3.2 Baseline Reliability Analysis

PJM's most fundamental responsibility is to plan and operate a safe and reliable Transmission System that serves all long term firm transmission uses on a comparable and not unduly discriminatory basis. This responsibility is addressed by PJM RTEP reliability planning. Reliability planning is a series of detailed analyses that ensure reliability under the most stringent of the applicable NERC, PJM or local criteria. To accomplish this each year, the RTEP cycle extends and updates the transmission expansion plan with a 15 year review. This cycle entails several steps. The following sections describe each step's assumptions, process and criteria. Attachments A through F of this manual add essential details of various aspects of the reliability planning process.

Reliability planning involves a near-term and a longer term review. The near term analysis is applicable for the current year through the current year plus 5. The longer term view is applicable for the current year plus 6 through plus 15. Each review entails multiple analysis steps subject to the specific criteria that depend on the specific facilities and the type of analysis being performed.

The analysis is initiated ~~following the completion of case builds in December prior to each annual cycle~~ and concludes with review by the TEAC and approval by the PJM Board ~~about October~~ (TEAC and the PJM Board are appraised regularly throughout the process and partial reviews and approvals of the plan may occur throughout the year.) The TEAC, Subregional RTEP and PJM Planning Committee roles in the development of the reliability portion of the RTEP are described in Schedule 6 of the PJM Operating Agreement.

2.3.3 Near-Term Reliability Review

The near-term reliability review (current year plus 5) provides reinforcement for criteria violations that are revealed by applicable contingency analysis. Limits used in the analysis are established consistent with the requirements of NERC standards FAC-010 and FAC-014. The methodology used to determine system operating limits is included in Attachment-F of this manual. System conditions revealed as near violations will be monitored and remedied as needed in the following year near-term analysis. Violations that occur in many deliverability areas or severe violations in any one area will be referred to the long term analysis for added study of possible more robust system enhancement. PJM annually conducts this detailed review of the current year plus 5. The annual review shall include system peak load for either year one or year two, and for year five.

For the annual evaluation of the near-term, sensitivity cases shall be utilized to demonstrate the impact of changes to the basic assumptions used in the model. To accomplish this, the sensitivity analysis in the Planning Assessment must vary one or more of the following conditions by a sufficient amount to stress the system within a range of credible conditions that demonstrate a measurable change in system response.

- Real and reactive forecasted load
- Expected transfers
- Expected in service dates of new or modified transmission facilities
- Reactive resource capability



Attachment G: PJM Stability, Short Circuit and Special RTEP Practices and Procedures

G.1 Stability

PJM Planning conducts stability studies to ensure that the planned system can withstand NERC criteria disturbances and maintain stable operation throughout the PJM planning horizon.

NERC criteria disturbances are those required by the NERC planning criteria applicable to system normal, single element outage and common-mode multiple element outage conditions. These conditions are specified in the NERC approved Transmission Planning (TPL) Reliability Standards that can be found on the NERC website (www.NERC.com). Because these standards change from time to time they are included here by reference. In addition, PJM's analyses also satisfy the Transmission Owner specific stability practices and procedures as may be applicable when these are more demanding tests than the standard NERC criteria tests applied by PJM. All Transmission Owner specific information and criteria that exceed *standard testing of NERC criteria* and are applicable to PJM reliability based RTEP stability analyses are included or referenced in the Appendix to this Attachment. Transmission Owner stability criteria filed as FERC Form No. 715 and posted on PJM's website and not included in the Appendix may be used to support Transmission Owner funded upgrades. The currently approved version of this Appendix at the commencement of the ~~annual~~ RTEP process will be the basis for that baseline RTEP and related generator queue assessments. PJM's stability analyses verify satisfactory projected system performance over the range of anticipated load levels and identify any need for upgrades, operating guides, or Remedial Action Schemes that may be indicated based on stability or short circuit testing as a primary driver. In general, the most appropriate remedy to NERC criteria violations is a system upgrade. In circumstances involving criteria that go beyond PJM's standard testing of NERC criteria, operating guides or Remedial Action Scheme remedies may also be considered as discussed further in this Attachment and its Appendix. New Remedial Action Schemes, however are generally avoided and, if considered, require case-by-case review and justification. Also certain specific areas of PJM have been identified through PJM or Transmission Owner analysis as stability limited areas of the system. In such areas of the system, stability operating guides may apply. For related information see PJM Manual 03 at <http://www.pjm.com/library/manuals.aspx>.

Critical system conditions for stability analysis on the PJM system are generally characterized by light load and peak load. System peak load levels shall include a load model where applicable which represents the expected dynamic behavior of loads that could impact the study area, considering the behavior of induction motor loads. An aggregate system load model which represents the overall dynamic behavior of the load is also acceptable where applicable. In exceptional cases, PJM may add alternate load testing when PJM determines that an alternate load level may be the critical load level for system stability for the limitation under review. Peak load stability analysis related to new interconnections of wind turbines and their low voltage ride through performance will also be performed.

System conditions most critical for stability analysis on the PJM system are generally characterized by light load. Peak load analysis is added for stability reviews that involve new



G.2.2 Dynamics Analysis

The two dynamics cases Originate from the RTEP Power Flow Case that is created for the annual RTEP Plan analyses. The annual-RTEP cycle is depicted in Manual 14B, Exhibit 1. The earliest availability for ~~this annual~~the RTEP reference power flow case is for the impact studies associated with the interconnection request queue that closes on January 31. For subsequent project queues that close later in the year, this reference RTEP case is updated to the most current data. The reference power flow case is reviewed and modified as necessary to correspond to the dynamics database (which includes external world dynamics data from the NERC System Dynamics Data Working Group as well as PJM data.) In addition, the case is modified to include generator step-up transformers and explicit modeling of generator station service power use along with gross generator rating. Also, because of the demands of dynamics analyses, power flow static load representations are replaced with their dynamic load model representations. PJM currently represents loads as 100% constant current real power and 100% constant impedance reactive power. In light load representations, pumped storage resources are in pumping mode.

This process is followed to develop stability setups for analysis of all PJM interconnection requests. In addition PJM's system stability analyses will use the most current available setup from this continuous development process.

Testing

After the dynamics model setup, an unperturbed dynamic simulation is run for 20 seconds. After case verification, the final, initialized set of power flows and the associated snap-shots, along with the associated dynamic run files are available to Interconnection Customers and others who have a legitimate need for the information, subject to applicable Confidentiality and Critical Energy Infrastructure Information processes (see PJM Operating Agreement §18.17 and <http://www.pjm.com/library/request-access/form-ceii-request.aspx>).

Dispatch

The assumptions used for generation dispatch can be critical to the results. It is generally accepted that units operating at their highest possible power output and generating as little reactive power as necessary to maintain voltages are likely to be less stable. Normally, the units in the vicinity of the project under study will be turned on to their maximum real power output with unity power factor at the high side of the GSU's, or units' VAR output will be adjusted to hold scheduled voltages, depending on specific Transmission Owner criteria. Wind turbines are tested at light load for stability and peak load for low voltage ride through at 100% of their maximum energy value. In addition, stability test scenarios necessitated by any applicable Transmission Owner operating guides will also factor into each analysis.

Simulations to determine required upgrades (also see the Appendix to this Attachment)

Fault Criteria:

- a. Fault Types: For interconnection and system stability analyses, three phase faults, single line to ground faults with stuck breaker and single line to ground faults with the communications failure cleared within zone 2 time will be