

June 2, 2006

PJM RTEP
Proposed “Siting Feasibility Study”

Background: A key deliverable of the RTEP process is to identify transmission facility siting studies that must start within the next year. The long lead times associated with the installation of transmission facilities require RTEP decisions on alternative reinforcements in order to start siting feasibility studies, followed by site selection and right-of-way acquisition. Long term compliance with NERC Reliability Standards can not be assured without such studies and acquisition of needed right-of-way.

PJM’s 4/26/06 presentation identified the following new level of PJM approval:

“Identify for inclusion in the RTEP several potential new circuits that would relieve other identified overloads in the 6 to 15 year horizon. This will involve a new level of approval which will require the affected Transmission Owners to proceed with preliminary siting, environmental impact assessment, and potential right-of-way acquisition.”

Transmission Owners are requested to perform Siting Feasibility Studies for the potential new circuits chosen by PJM that require new transmission facilities. The following ‘Scope of Work’ should serve as a guide for each Phase 1 Siting Feasibility Study:

- 1) Inventory existing transmission assets** that could be used for each chosen alternative.
 - a) Identify existing transmission lines that can be upgraded or replaced to achieve the voltage and ampere rating desired and identify additional right-of-way (R/W) needed to achieve the upgrade.
 - b) Identify existing substation physical expansion needed for the alternative.
 - c) Identify existing transmission line rights-of-way (R/W) including R/W held for future use. For each alternative, identify additional R/W needed to complete the line and the potential for its acquisition.
 - d) Identify existing substation sites including “Land Held for Future Use.” For each substation site identify additional land requirements and the potential for acquisition to complete the substation sites.

 - 2) Assess potential location for new transmission facilities.**
 - a) Identify corridors suitable for new transmission lines and general areas suitable for new substation sites.**
 - i. Collect and review readily available maps, satellite and photographic imagery, cultural and natural resource databases. Perform field reconnaissance as necessary to supplement available data.
 - ii.** Identify and quantify constraint areas.
 - iii. Assess the likelihood of obtaining a suitable transmission line route and substation sites.
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- b) Identify potential National Interest Electric Transmission Corridors (NIETCs).** Specify preliminary information leading to the identification of likely NIETCs. In Phase 2, for the chosen functional alternative, a full environmental impact study would be completed and a preferred line route chosen.

The above Siting Feasibility Study would be completed prior to, or in parallel with voltage limitation analysis of the alternatives. Various maps and written documentation of the study will be delivered and reviewed jointly with PJM and TO staff. In a similar fashion to sensitive Impact Study letters sent to new IPPs, the Siting Feasibility Study documentation will not be placed on the PJM RTEP website. This “Siting Feasibility Study” delivery to PJM completes Phase 1 of the siting studies.

PJM would then complete their technical analysis of the chosen functional alternatives, and present their final recommendation to the TEAC. Within 30 days, PJM would revise the plan as deemed appropriate and issue a final RTEP plan to the PJM Board of Directors for approval. Immediately after PJM Board approval, PJM as the “Planning Authority,” would authorize Phase 2 - a full Siting Selection Process for the approved functional alternative to choose the preferred line route, to obtain the necessary state certification and federal approval to initiate purchase of the substation sites and all transmission line rights-of-way required. At the same time the siting application is submitted for certification to the department responsible for reviewing the filing in that State, a filing with DOE would be made requesting this transmission path be designated as a “National Interest Electric Transmission Corridor”.

The above Phase 1 and Phase 2 approach provides ample opportunity for public and stakeholder input. Completion of Phase 2 provides the certainty that is required to meet NERC Reliability Standards in a timely fashion. PJM, as the Planning Authority, and Transmission Owners responsible for construction of such facilities cannot assure certainty in timely project completion until Phase 2 is completed.