



# Interconnection Agreement Coordination for ATSI's RTO Migration

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Rich Ziegler – FirstEnergy  
Jen Tribulski – PJM

- The FirstEnergy subsidiary, American Transmission Systems, Inc. (ATSI), plans to integrate into PJM on June 1, 2011
- Existing generators in ATSI zone of Midwest ISO will become part of PJM upon integration
- The related Interconnection Agreements (IAs) will come under PJM's Open Access Transmission Tariff (PJM Tariff) upon integration.

- Existing generators with IAs will be deliverable in PJM upon integration
  - If generator received energy resource interconnection service – ERIS – in MISO, it will retain its energy only status
  - If generator received network resource interconnection service – NRIS – in MISO, it will retain capacity rights in PJM

- Two types of IAs
  - 2-party IAs between the generator and ATSI
  - 3-party IAs between the generator, ATSI, and Midwest ISO
- Upon integration, IAs will be provided a PJM service agreement number and come under PJM's Tariff

- Generators can attend training as part of ATSI integration that will provide details about operating protocols
  - ATSI integration training schedule can be accessed at the following link: [http://www.pjm.com/training/course-catalog.aspx?q=\(ATSI\)#](http://www.pjm.com/training/course-catalog.aspx?q=(ATSI)#)

- Specific Issues related to 3-party IAs
  - IAs will be assigned from Midwest ISO to PJM – PJM will assume role as Transmission Provider (TP) under the agreements
  - Certain terms and conditions for which TP is responsible may be inconsistent with PJM's standard Interconnection Service Agreement (ISA) under Attachment O to PJM's Tariff

- Examples of inconsistent terms & conditions:
  - Insurance provisions applicable to TP
    - Some existing IAs require the transmission provider to meet insurance provisions and provide certificates
  - Emergency provisions, such as:
    - Limit of liability in certain existing agreements different from PJM's which would hold IC liable if it fails to follow TP or TO directions during an emergency

## – Outages

- Some existing IAs require TP to compensate IC if TP reschedules a planned outage
- Some existing IAs provide that TP is not permitted to reschedule outages for adequacy of generation supply; while PJM may reschedule on basis of reserve margin
- Some existing IAs provide that if TP interrupts or reduces generation, it will notify IC by telephone followed by written communication; PJM does not provide for this type of communication rather it is accomplished through market tools (UDS/SCED)

## – Generator Imbalance Service

- PJM does not offer a comparable service

- Transmission Credits – repayment of amounts advanced for network upgrades
  - Are any existing IAs owed transmission credits?
  - PJM does not provide transmission credits because IC is not responsible for obtaining transmission service; instead receives rights such as capacity interconnection rights and incremental auction revenue rights

- *Option 1:*
  - Generators have option to enter into PJM's standard ISA
- *Option 2:*
  - Condition assignment of the agreement on generator agreeing to a supremacy provision such that PJM's Tariff and Manuals prevail if there is an inconsistency
- *Option 3:*
  - Amend agreements where inconsistent

- Over next few months, reach out to each generator to determine which approach works for it

- Load interconnection agreements – interconnect load to the ATSI system (sometimes referred to as Wires agreements)
- To the extent necessary, these agreements would be assigned a PJM service agreement number
- Brief discussion regarding AMP, Buckeye, PJM agreement

- Questions?
- Further questions contact:
  - ATSI: Richard Zeigler at 330-761-4370 or [razieler@firstenergycorp.com](mailto:razieler@firstenergycorp.com)
  - PJM: Jen Tribulski at 610-666-4363 or [tribuj@pjm.com](mailto:tribuj@pjm.com)