

Queue Process Challenges

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Note: Discussions which follow relate to requests which may not be granted through review of ATC

- Current studies performed
 - Initial Study
 - System Impact Study
 - Facilities study
- Problems with current process
 - One study to develop reinforcement plan and cost estimates before Facilities Study

- Solution
 - Add Feasibility Study phase after Initial Study
 - Requires changes to PJM Tariff
 - Parts IV and VI (Queue Studies)
 - Depending on process changes, may require changes to Parts II and III (Transmission Service)

- Add Feasibility Study phase after Initial Study
 - Study Transmission Service Studies for Initial Study and include them in studies being run for remainder of queue
 - Provides initial study as well as a Feasibility Study
- Problems with this approach
 - May increase time associated with studies if no impacts identified
- Solution
 - If no impacts identified in Feasibility Study, combine Feasibility and Impact Studies to verify no impacts
 - Projects then proceed to final agreements if no impacts

- Additional option not to be pursued
 - Remove Initial Study and replace with Feasibility Study
- Problems with this approach
 - Some requests for transmission service drop out of process when initial study finds impacts
 - Removal of initial study requires more extensive changes to Tariff and will require additional work in relation to changes for Parts II and III of the Tariff

- Current studies performed
 - System Impact Study
 - Facilities study
- Problems with current process
 - One study to develop reinforcement plan and cost estimates before Facilities Study

- Solution
 - Add Feasibility Study phase
 - Requires changes to Parts IV and VI of the PJM Tariff
 - Would not preclude ability of projects to move more quickly if limited interaction with other projects in queue are identified

- Solution
 - Add Feasibility Study phase
- IARR requests
 - Development of impacted facilities list can commence soon after receipt of request from customer
 - Reinforcements to increase flows required based on impacted facilities list would be developed during analysis and study phase for Feasibility Study
 - Feasibility Study would contain list of required reinforcements with costs and estimated time to construct necessary facilities
 - Customer could then choose to proceed to a System Impact Study or drop out of Queue

- Merchant Network Upgrades
 - These types of requests may proceed more quickly if no other projects in the queue have impacts to the same facilities associated with the request by the customer for the Merchant Network Upgrade
 - Develop combined Feasibility/System Impact Study report if no overlap with other projects in queue
 - Customer would then proceed to the Facilities Study phase
 - Develop Feasibility Study if impacts of other projects in queue overlap Merchant Network Upgrade request
 - Customer would then proceed to the System Impact Study phase

- Current studies performed
 - Feasibility Study
- Problems with current process
 - “Screen” criteria requires queue to be closed (6 month queue)
 - Evaluation of “screen” criteria requires load flow studies with all projects in queue modeled

- Solution
 - Remove alternate queue screening
- Remove Alternate Queue screening
 - Allow projects to be evaluated for impacts once Point of Interconnection (POI) has been established
 - Identification of impacts could proceed with known POI if all previously queued projects in vicinity of project under study are also known

- Reinforcement costs <\$5 million allocated to all projects in a queue which add load to the violation defining the need for the reinforcement
- Problems with current process
 - Criteria requires queue to be closed (6 month queue)

- Solution
 - Evaluate need for reinforcements with first request to cause the need for a reinforcement to be allocated 100% of the cost of the upgrade
 - Subsequent projects which contribute to the need for the reinforcement would have cost allocation based on MW impacts