



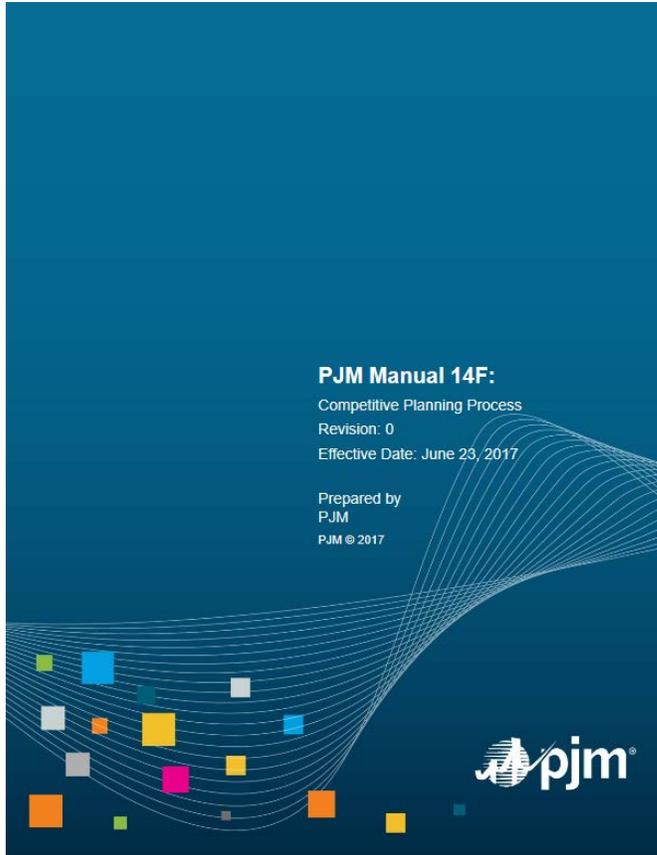
Special PC Sessions: PJM Evaluation of Competitive Transmission Proposals

Mark Sims

Manager, Infrastructure Coordination
Special PC - Consideration of Cost
Commitment for Evaluation of Competitive
Transmission Proposals

March 16, 2018

[PJM Manual 14F: Competitive Planning Process](#)



- PJM Manual 14F: Competitive Planning Process
- Section 8: Project Evaluation
- - 8.1 Reliability Criteria Project Evaluation
 - 8.1.1 Initial Review and Screening
 - 8.1.2 Detailed Proposal Review
 - 8.1.3 Decisional Process
 - 8.1.4 Company Evaluation
 - 8.1.5 Project Recommendation
 - 8.2 Market Efficiency Project Evaluation
 - 8.2.1 Primary Considerations
 - 8.2.1.1 Congestion Mitigation
 - 8.2.1.2 Benefit/Cost (B/C)
 - 8.2.1.3 Cost Estimate Review
 - 8.2.2 'Other' Secondary Considerations
 - 8.2.3 Zonal/Total Savings
 - 8.2.4 Risk Evaluation
 - 8.2.5 Sensitivity Evaluation
 - 8.2.6 Reliability Impact
 - 8.2.7 Outage Impact

- Performance

- Cost

- Feasibility

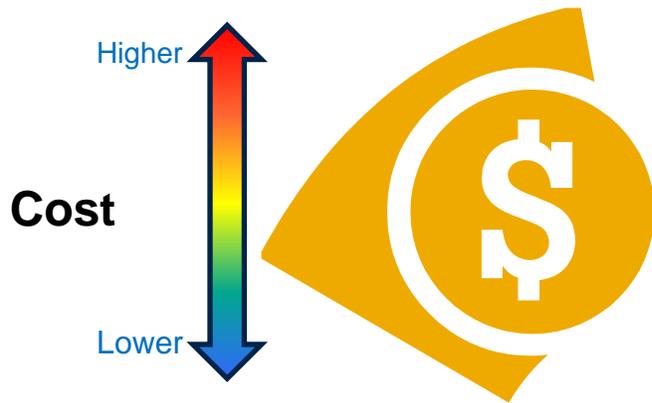
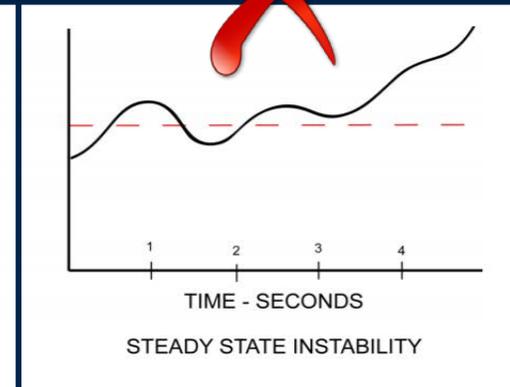
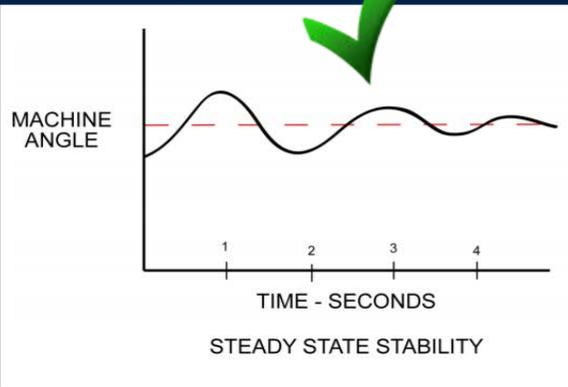
Far Above Threshold

Above Threshold

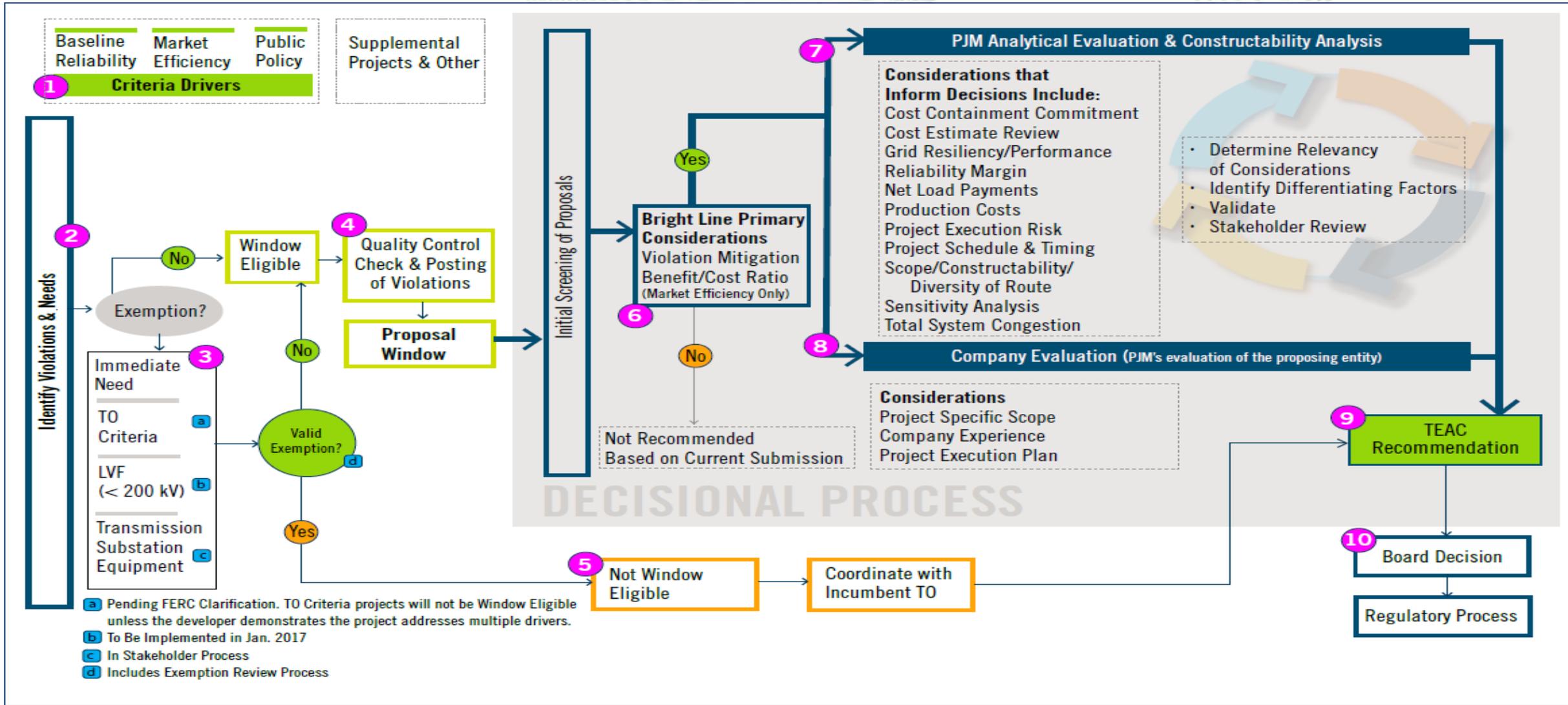
Below Threshold

Performance

- Above Threshold performance
- + other benefits, e.g. economics, aging infrastructure, grid resilience, longevity, etc.



* For discussion only, not a decisional procedure





Hypothetical Decisional Scenarios for Discussion*

* For discussion only, not a decisional procedure

Poor Performance Scenario

	Performance	Feasibility	Relative Cost	Cost Containment
Project #1	below threshold	straightforward	low	Yes
Project #2	below threshold	straightforward	low	No
Project #3	below threshold	challenging	high	No
Project #4	below threshold	straightforward	low	No
Project #5	below threshold	risky	high	Yes
Project #6	below threshold	challenging	very high	Yes

Performance v. Risk v. Cost Scenario #1

	Performance	Feasibility	Relative Cost	Cost Containment
Project #91	above threshold	straightforward	low	No
Project #92	below threshold	straightforward	low	No
Project #93	above threshold	straightforward	low	Yes
Project #94	far above threshold	risky	high	No
Project #95	below threshold	risky	high	Yes
Project #96	far above threshold	challenging	very high	Yes

Feasible, Low-Risk Performer Scenario

	Performance	Feasibility	Relative Cost	Cost Containment
Project #A	below threshold	straightforward	low	Yes
Project #B	below threshold	straightforward	low	Yes
Project #C	above threshold	risky	high	Yes
Project #D	above threshold	risky	high	No
Project #E	far above threshold	straightforward	low	No
Project #F	above threshold	challenging	very high	No

Performance v. Risk v. Cost Scenario #2

	Performance	Feasibility	Relative Cost	Cost Containment
Project #J1	above threshold	straightforward	low	No
Project #K2	below threshold	straightforward	low	No
Project #L3	far above threshold	straightforward	low	Yes
Project #M4	above threshold	risky	low	No
Project #N5	below threshold	risky	high	Yes
Project #P6	far above threshold	challenging	very high	Yes