

#### Order 1920 Re-Evaluation

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TEAC Special Session – Order 1920 April 10, 2025



**Re-Evaluation** 

- Order 1920 requires re-evaluation only in these circumstances:
  - 1. Development **DELAY**s which raise reliability concerns
  - Significant COST increases (only allowed in subsequent cycles following selection)
  - 3. Changes in **LAW**s and regulations (such that a facility may fail the selection criteria)
    - In current cycle only if in-service date is in the second half of the 20-year planning cycle
    - Otherwise only in subsequent cycles
- Must designate a point after which no re-evaluation

The Three Cases



- All three processes involve a stage where the project and its conditions are assessed on whether or not it triggers re-evaluation and a stage for the re-evaluation in the next window in the cycle
- Based on the first stage analysis, projects may not advance to the second stage
- Both stages can lead to keeping the project, replacing the project, coordination with other established planning processes and a combination of any/all

# Why wait? - Background on LTRTP Cycle

y-1      Months O N      Input Gathering (pre-cycle start)      - Policy and IRP inputs (FC 1-2-3-7)      3      - PJM inputs (FC 4-5-6)      Scenario Development (cycle starts)      - States and other stakeholder discussions      12      - Scenario preparation      11      - Scenario first draft      - Scenarios/models locked      - Update powerflows and build economic models      2      Analysis, including reevaluation      - TOs submit in-kind replacement estimates      - Reliability and economic analyses      - PARSEC/States request to post Additional LT Needs      2      - Identification of projects that need reevaluating      - Reevaluation      - Competitive window      - Competitive window      - Participants consider ATTs or submit detailed justification	<b>y0</b> D J F M A M J J A S O N D J F	y+1 = M A M J J A S O N D	<b>y+2</b> <u>J F M A M J J A S O N D</u>	<b>y+3</b>
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Solutions				
- Must-build track				
- Solution evaluation, including ATTs 8				
- First read				
- Second read				
- Voluntary track				
- State and other voluntary funding commitments 3				
- Holistic plan evaluation, including ATTs 4				
- First read				
- Second read				
Cost Allocation				
- Counterfactual request				
- Ex-ante cost allocation calculations 6				
- Ex-post cost allocation period 6				
Board approval		1		

**pjm** 



# Focus: Stage 1 – Discussion on Triggers

- PJM may trigger re-evaluation below these triggers; these will be where it MUST be triggered
- Delay
  - Verification of the need/no material change to the need
    [includes Required In-Service Date (ISD)]
  - PJM will enforce Required ISDs for 1920 work
  - Is the updated Projected ISD past the (up-to-date) Required ISD?



### **Stage 1 Discussion Continued**

- Verification of the need/no material change to the need
- What is a significant cost?
- PJM uses current year \$, PJM process to "update"
- Updated value compared to trigger %
- Consistent trigger % for all projects, even voluntary funded ones?



#### **Stage 1 Discussion Continued**

- Verification of the need/no material change to the need
- PJM will be open to inputs from stakeholders
- PJM has sole discretion in determination of whether a law or regulation has a significant impact on the identified need
- If the assessed impact is a cost or delay, it keys/hands off to that process
- If assessed impact is a potential reliability impact, moves to this/Law Stage 2
- If the project is no longer needed it may be removed



## Stage 2 & The Point of No Return! (to re-evaluation)

- Three Stage 2s
  - All very similar
  - To be reviewed in more detail at a later meeting (time constrained today)
- PJM + Stakeholders must designate a point after which there can/will be no re-evaluation for a project
  - Define a set of "long-term" permits/milestones
  - After 100% achieved, re-evaluation cannot proceed
  - 50-99% PJM discretion on whether re-evaluation can occur



Contact

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# Order 1920 Re-Evaluation

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