

Transition Cycle 2

Decision Point II Requirements



April 2026 IPS
Samantha Hall, Engineer II
Interconnection Planning Projects

Agenda Items:

(1.) Timeline(s)

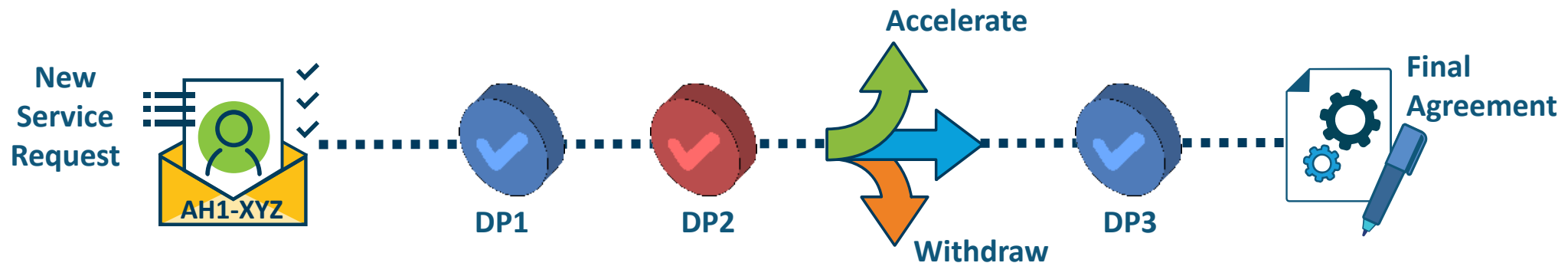
(2.) Decision Point II Requirements (Accelerated & Non-Accelerated)

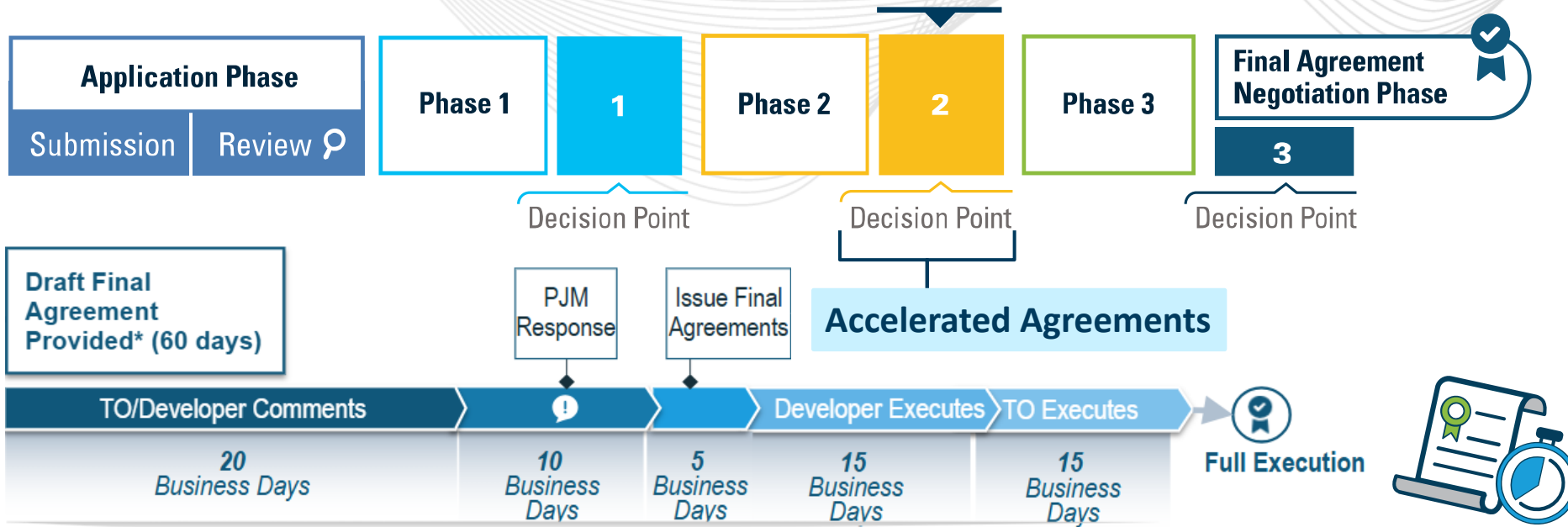
(3.) Allowable Modifications at Decision Point II (Non-Accelerated)

(4.) NextGen Refresh & Next Steps



- During Phase II, and at least 30 days prior to initiating Decision Point II of the Cycle, PJM will notify Project Developer of an estimated start date for Decision Point II.
- **Decision Point II (DP2)** starts on the first Business Day after the end of Phase II (**TC2: June 8, 2026**).
- It is a **30-day period** where a Project Developer may stay in the Cycle by meeting Decision Point II requirements or withdraw from the queue.
- At this time, projects that meet the **acceleration criteria** will proceed to Final Agreement Negotiation Phase. Also, during Phase II, PJM will notify the Project Developer if their project is eligible for acceleration at Decision Point II.
- At Decision Point II, Project Developers can make select **certain modifications** to their projects.





PJM Sends out Agreements for Negotiation

June 5, 2026

TC2, Decision Point II (30 Calendar Days)

June 8, 2026

July 7, 2026

TC2 PH2 Acceleration TO/PD Comment Period (20 Business Days)

June 8, 2026

July 7, 2026

TC2 PH2 Acceleration PJM Response (~10 Business Days)

July 8, 2026

July 21, 2026

TC2 PH2 Acceleration Prepare & Issue in Docusign (5 Business Days)

July 22, 2026

July 28, 2026

See Tariff Part VII, Subpart D, section 311 (A)(2)(d) and Tariff Part VIII Subpart C, section 408(A)(2)(d) for more info.

SUBMITTALS REQUIRED

- **Readiness Deposit #3:** 20% of the cost allocation for the Network Upgrade from Phase II study results minus (*RD #1 + RD #2*)
 - Readiness Deposit #3 must be provided through a letter of credit or a wire transfer.
 - PJM must receive draft letter of credit at least 10 Business Days prior to close of DP2.
- **Option To Build (OTB):** Notification in writing to exercise the OTB for stand-alone Network Upgrades

- **No evidentiary Site Control requirements**
- **Transmission Interconnection Requests** (none in TC2)
- **Permits:** Evidence of air and water permit (if applicable)
- **State level (non-FERC jurisdictional):** Evidence of participation in state interconnection process with appropriate entity



- **Evidence of executed Affected System Study Agreement** (if required) before the close of DP2
 - RTOs/ISOs have their own internal processes/timelines for affected system studies.
 - Note: MISO is the only ISO that does not require Affected System Study Agreement.
 - Failure to comply will result in withdrawal.
- **Data submissions** for Phase III System Impact Study

Only requests with **no** cost allocation for Network Upgrades and do not require further studies are eligible for acceleration.

SUBMITTALS REQUIRED

FERC Jurisdictional Projects/Non-FERC Jurisdictional Projects

- **Written Notification To Proceed to a Final Agreement**
- **Security:** Calculated based upon Network Upgrades costs allocated pursuant to the Phase II System Impact Study results
- **Agreements and Permits**
 - Fuel and water agreement (if necessary) and control ROW for the interconnections
 - Local, county and state
 - Signed MOU
- **Non-FERC Jurisdictional Projects:** Evidence of a fully executed state-level Interconnection Agreement with the applicable entity

***Note:** Non-FERC jurisdictional projects that do not have fully executed state-level agreement will remain in the Cycle and must provide all elements before the close of Decision Point III.*

Only requests with **no** cost allocation for Network Upgrades and do not require further studies are eligible for acceleration.



SUBMITTALS REQUIRED – SITE CONTROL

FERC Jurisdictional Projects/Non-FERC Jurisdictional Projects

Site Control: 100% Site Control evidence for **Generating Facility, Interconnection Facilities** and **Interconnection Switchyard** for an additional one-year term from the last day of Phase II:

- **Generating Facility** includes the locations of the high-voltage side of the Generating Facility's main power transformer(s). The Generating Facility provided at DP1, with any allowed modifications, will be the "initial site" that the DP3 submission will be evaluated against.
- **Interconnection Facilities** (to the Point of Interconnection): Site Control shall cover 100% linear distance for Interconnection Facilities.
- **Interconnection Switchyard:** Site Control shall cover 100% of the acreage required for the switchyard. Acreage will be reviewed against Phase II Facility Study Reports.

Note: Exceptions for Site Control and Permits/Agreements: If Site Control requirements are not met, Project Developer must provide evidence of Site Control Negotiations with appropriate entity to PJM. If evidence is acceptable to PJM, then PJM will add 180-day milestone in the interconnection-related service agreement. All Site Control requirements must be met within 180 days from the agreement execution date. If fuel and water agreements, MOU and permits requirements are not met, they can be addressed though a milestone in the applicable interconnection-related service agreement.

POI	POI changes NOT permitted.
MFO/CIR	Projects may reduce MFO and or CIR output up to 10% . For RRI, no CIR/MFO modifications
Site Change 	Generating Facility or Merchant Transmission Facility: <ol style="list-style-type: none"> 1. Project Developer may pursue changes during this time; however, demonstration of Site Control is not required during Decision Point II 2. Any changes made to Site Control during Decision Point II will be subject to and evaluated consistent with the modification requirements at Decision Point III
Equipment	Permissible technological advancement changes only
Fuel 	No modification permitted, except for multiple fuel types. Removal of fuel type through these reduction rules will not constitute a fuel type change. No modifications allowed for RRI.

Please see 1. [*Manual 14H 9.8 Modification of New Service Requests at Cycle Decision Points, Exhibit 30: Summary of Permitted Modifications*], and 2. [*Tariff, Part VII, Subpart C, section 306(E) Additional Provisions Applicable to RRI Projects*], for more information.



Decision Point II – Deficiency Review Phase

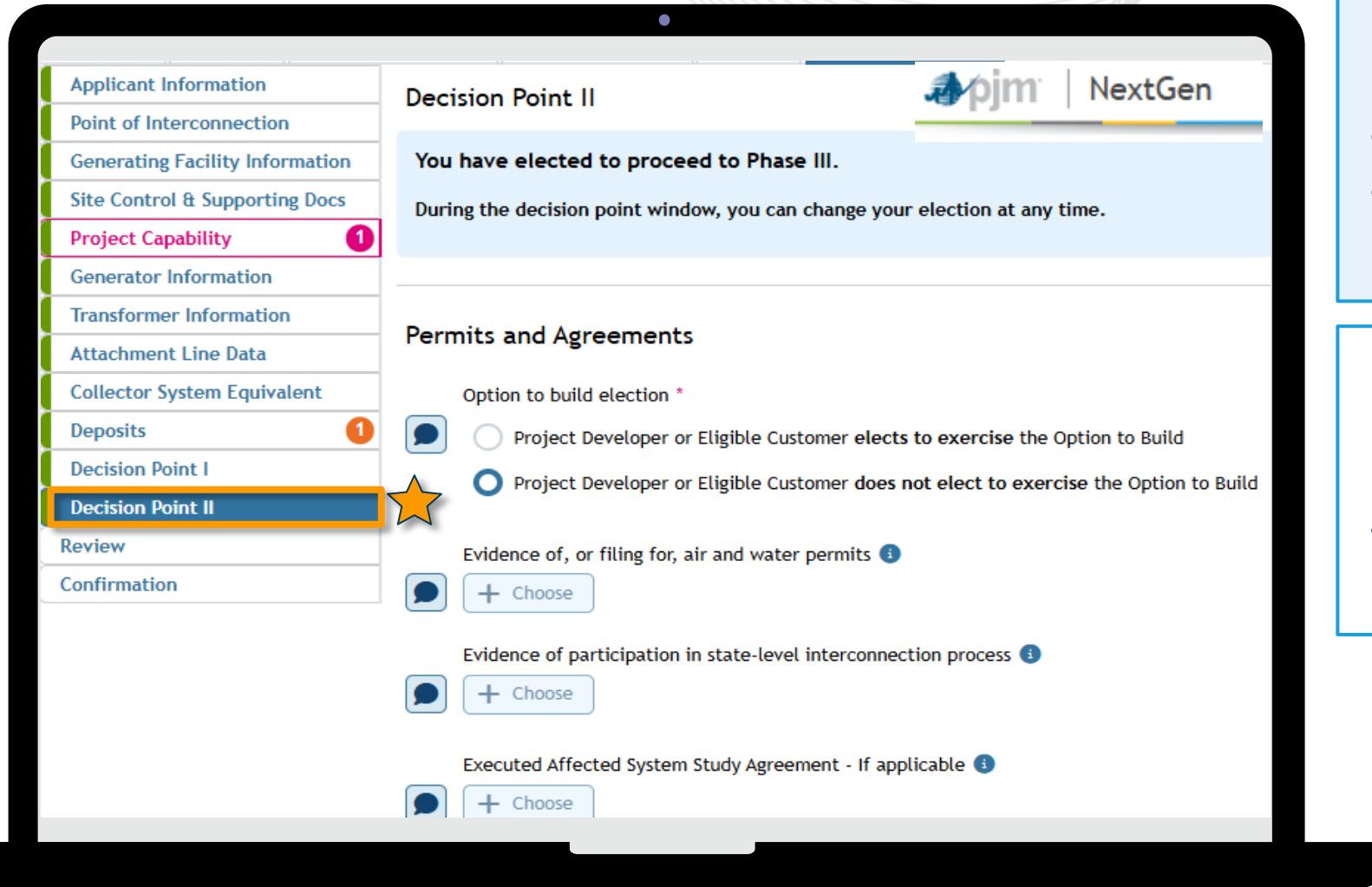
DEFICIENCY REVIEW PHASE

- PJM will exercise Reasonable Efforts to inform Project Developer/Eligible Customer of deficiencies within **10 Business Days** after the close of Decision Point II.
- Project Developer/Eligible Customer then has **five Business Days** to respond to PJM’s deficiency determination.
- PJM then will exercise Reasonable Efforts to review Project Developer’s or Eligible Customer’s response within **10 Business Days** and then will either **terminate and withdraw** the New Service Request, or **include the New Service Request in Phase III**, or proceed to a final interconnection-related agreement for accelerated projects that meet the criteria.
- PJM’s review of the above required elements may run co-extensively with Phase III.

Begins after all elements have been submitted for accelerated and non-accelerated projects.

READINESS AND STUDY DEPOSIT REFUND

- **Readiness Deposit #1** is 100% at risk.
- **Readiness Deposit #2** is 100% at risk after the conclusion of deficiency review for Decision Point II.
- **Readiness Deposit #3** is 100% at risk after the conclusion of deficiency review for Decision Point II.
- **Adverse Study Impact:** Cumulative Readiness Deposit amounts paid at the Application Phase (RD1) and at the Decision Point I (RD2) are refundable if the Network Upgrade cost from Phase I to Phase II:
 - Increases overall by 25% or more; and
 - Increases by more than \$10,000 per megawatt
- At the conclusion of Decision Point II, PJM will initiate the Study Deposit **refund process**: 90% of the Study Deposit will be refunded, less any actual costs.
- **Project Withdrawal:** Projects get withdrawn from the Cycle.
 - PJM initiates the refund process for Readiness Deposits and Study Deposits.



“Decision Point II” tab (★) will appear in the left-hand task ribbon in NextGen at the start of Decision Point II, prompting the Project Developer to submit their package for review.

Since there is no evidentiary Site Control, the “Site Control and Supporting Documents” tab in NextGen will be locked, to open again at Decision Point III.



- **PJM Manual 14H:**
 - Section 4.6 (DP2 requirements)
 - Section 6.0 (Study Deposit and Readiness Deposit)
 - Section 7.0 (Site Control)
 - Section 9.8 (modifications at Decision Points)
- **Tariff [Phase II]:** Tariff, Part VII, Subpart D, section 310
- **Tariff [Decision Point II]:** Tariff, Part VII, Subpart D, section 311
- **[NextGen User Guide](#):** PJM.com > Planning > Service Requests > Applications and Forms



Samantha Hall

Engineer II, Interconnection Planning Projects

samantha.hall@pjm.com

