PJM RTEP Process Schedule & Timing

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Presented to PJM Planning Committee
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• Manual 14B:
  – PJM Region Transmission Planning
  – http://pjm.com/-/media/documents/manuals/m14b.ashx
  – Process for 18 and 24 month RTEP cycles

• Manual 14F:
  – Competitive Planning Process
  – http://www.pjm.com/-/media/documents/manuals/m14f.ashx
RTEP Cycle: Reliability - 18 and 24 Month Cycles

Exhibit 1: 24-Month Reliability Planning Cycle
This diagram taken from RTEP redesign effort materials for discussion purposes only, may not match actual 2018 cycle.
**Exhibit 3: 24-Month Market Efficiency Cycle**

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- **Develop Assumptions (Y1, Y6)**
- **Market Efficiency Analysis (Y1, Y6)**
  (Accelerations and Modifications)
- **Identify and evaluate Solution Options (Accelerations and Modifications)**
- **Final Review with TEAC and approval by Board**
- **Develop Assumptions (Y1, Y5, Y8, Y11, Y15)**
- **Market Efficiency Criteria Analysis (Y1, Y5, Y8, Y11, Y15)**
- **Identify proposed solutions**
- **Update significant assumptions (Y9, Y4, Y7, Y10, Y14)**
- **Analysis of market solutions and support of benefits of reliability solutions (Y9, Y4, Y7, Y10, Y14)**
- **Independent Consultant reviews of buildability**
- **Adjustments to solution options by PJM on analysis**
- **Develop Assumptions (Y1, Y5)**
- **Market Efficiency Analysis (Y1, Y5)**
  (Accelerations and Modifications)
- **Identify and evaluate Solution Options (Accelerations and Modifications)**
- **Final Review with TEAC and approval by Board**
RTEP Competition: Decisional Process

Attachment D: Decisional Process

Decisional Process Diagram:
- **Reliability**
- **Market Efficiency**
- **Public Policy**

Initial Screening of Proposals:
- Window Eligible
- Quality Control Check & Posting of Violations
- Proposal Window

Primary Considerations:
- Violation Mitigation
- Benefit/Cost Ratio (Market Efficiency Key)

Company Evaluation (PJM's evaluation of the entities):
- Considerations:
  - Company Experience
  - Project Execution Plan
  - Project Specific Scope

TEAC Recommendation:
- Board Decision
- Regulatory Process

PJM Analytical Evaluation & Constructability Analysis:
- Considerations that Inform Decisions Include:
  - Cost Containment Commitment
  - Cost Estimate Review
  - Evaluation of Impacts on Other Projects
  - Grid Resiliency/Performance
  - Net Load Payments
  - Production Costs
  - Project Execution Risk
  - Project Schedule & Timing
  - Reliability Margin
  - Scope/Constructability/Diversity of Route
  - Sensitivity Analysis
  - Total System Congestion

- Determine Relevancy of Considerations
- Identify Differentiating Factors
- Validate
- TEAC & Stakeholder Review

Not Recommended Based on Current Submission

Window Eligible

Public Policy would be handled based on how and when the project is identified by the authorized public entity.

Federal and FERC Clarification. TO Criteria projects will not be Window Eligible unless the developer demonstrates the project addresses multiple drivers.

Implemented in 2017

Pending FERC approval

Pending FERC approval

Includes Exemption Review Process

Evaluate whether a project alleviates the need for a supplemental project or any previously approved baseline upgrade.