Manual 14A/14G Language Updates

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Presented to PJM Planning Committee
March 8, 2018
Table 2-2-1: "System Impact Study costs"
Correction to the System Impact Study Cost table (consistent with Tariff):

<table>
<thead>
<tr>
<th>Project size</th>
<th>Required deposit</th>
<th>Portion of deposit that is non-refundable</th>
<th>Maximum deposit</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;20MW</td>
<td>None</td>
<td>10%</td>
<td>$300,000</td>
</tr>
<tr>
<td>&gt;2MW and ≤20MW</td>
<td>$10,000</td>
<td>10%</td>
<td>$10,000</td>
</tr>
<tr>
<td>≤2MW</td>
<td>$5000</td>
<td>10%</td>
<td>$5,000</td>
</tr>
</tbody>
</table>
Section 2.1.2 “Interconnection Requests and PJM Queue Position”

Queue window periods have been updated considering the “transitional queue” (which occurred between November 1, 2016 and March 31, 2017) is completed.

– The first queue window closes March 31st of the calendar year.

– The second queue window closes on September 30th of the same calendar year.

– Reference to “transitional queue” from November 1, 2016 to March 31, 2017 will be removed.
Section 3.1.4: “Expedited and/or Combined Study Analysis”
Updated language more specifically defines the conditions under which an accelerated analysis is not possible:

- If a secondary POI is requested to be considered, then a combined study is not possible.
- If the project is identified as needing stability analyses, light load analysis or causes or contributes to a system overload or is expected to contribute to winter analysis violations, then it cannot be accelerated.
ORDER 807 Compliant Configurations

Option 1

Entity A

POI

Entity A must sign up to PJM Tariff to own “transmission”. (In compliance with FERC Order 807)

Original POI becomes Point of Interconnection for wires to wires agreement with original TO, which establishes power delivery requirements.

Option 2

Entity A

POI

Entity A

Entity B

Requires TO agreement to assume “common facilities”. (TO not obligated)

Each generating entity has separate ISA.

Option 3

Entity A

POI

Entity A

Entity B

One ISA and generating entities must form single legal entity to execute ISA.

Entity A + Entity B = Entity C
Step 1:
Merchant Transmission Request for 80 MW of IDR*s

Step 2:
Multiple Generator Interconnection Requests not to exceed 80 MW**

Legend:
*Thermal Analysis for 80 MW, Incremental Deliverability Rights
**Short Circuit and Stability Analysis for each Generator Facility
Agreements required for each entity:

**Entity A “Generator”:**
- Three-party Interconnection Service Agreement with Entity A “TO” and PJM

**Entity A “TO”:**
- Wires to Wires agreement with Original Interconnected Transmission Owner
- Three-party Interconnection Service Agreement with Entity B and PJM

**Entity B:**
- Three-party Interconnection Service Agreement with Entity A “TO” and PJM

**Original Interconnection Transmission Owner:**
- Wires-to-Wires agreement with Entity A “TO”
Sections 2.1.2.1 and 2.1.2.2: “Site Control” and “Multiple requests behind the same Point of Interconnection”

Though a developer may subdivide into separate projects behind the Point of Interconnection (POI), PJM will ultimately have one Interconnection Service Agreement or Wholesale Market Participation Agreement with one designated controlling entity for the POI:

- Controlling entity assures all participants on its side of the POI operate properly, subdivide proceeds/costs, maintain facilities, and have policies to address issues on the divided system behind the POI.

- PJM is obligated to ensure that the total power injected at the POI does not adversely impact the transmission system and that the request is treated fairly according to the Tariff.

- If TO is unwilling to accept ownership of common Attachment Facilities as their Transmission, then the owner of the Attachment Facilities must sign-up to Tariff for those common facilities.
Roadmap to Approval

- Planning Committee
  - 1st Read
  - 4/5/2018

- Markets & Reliability Committee
  - 1st Read
  - 4/19/2018

- Planning Committee
  - 2nd Read and Endorsement
  - 5/3/2018

- Markets & Reliability Committee
  - 2nd Read and Endorsement
  - 5/24/2018
• V1 – 2/28/2018 – Original Slides Posted