Benefit/Cost Discussions

PC
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Howard Haas

Monitoring Analytics
Benefit/Cost

Problem Statement / Issue Charge

• The Benefit and Cost Calculations in PJM’s evaluation of transmission projects should be reviewed.
Problem Statement / Issue Charge

• The current benefit/cost analysis for a regional project explicitly and incorrectly ignores the increased congestion in zones that results from an RTEP project when calculating the energy market benefits.

• The benefit/cost analysis does not account for the fact that different transmission projects may have different cost guarantees/cost risk. The current benefit/cost analysis does not have a reasonable way to evaluate and compare the costs of projects with different cost guarantees/cost risks.
Include in existing task force effort?

• MMU believe that these issues could be included in the work of the current task force: MEPETF.
• MMU proposes to do that rather than start a new task force.
• MMU believes these issues should be added to the current work activity list/existing charter.