Planning Committee Non-binding Poll Results

RTEP Process Enhancements – Manual 14B

June 24, 2019
Special PC
Non-binding Poll

- Based on discussions at the 06/13/19 PC meeting, a non-binding poll was sent to the PC ListServ on 06/13/19 to gauge the PC support of Manual 14B language presented by PJM (RTEP Process Enhancements - Item 9B & 9C)
- Responses were due by 06/18/19
Poll Results

<table>
<thead>
<tr>
<th>No. of Responders</th>
<th>Response</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>78</td>
<td>Yes</td>
<td>52.70%</td>
</tr>
<tr>
<td>70</td>
<td>No</td>
<td>47.30%</td>
</tr>
<tr>
<td>0</td>
<td>Abstain</td>
<td>0.00%</td>
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</tbody>
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Total Unique Responders: 25
Total Companies Represented: 148
Comment 1:
Section 1.4.2; Section 1.4.2.1; and Section Section 1.4.3
1) The current PJM proposed manual could open the door for previously-identified Supplemental Projects to be converted to a baseline projects (with regional cost allocation) without going through a competitive Order No. 1000 planning process.
   a) LS Power disagrees. Projects eligible for regional cost allocation have to go through an Order 1000 process. The Manual should not provide for an end-run around the PJM Operating Agreement, which does not allow a conversion of supplemental projects to baseline projects without going through the Order 1000 process. See LS edits in Section 1.4.2

2) The current PJM proposed manual does not recognize that under Order No. 1000, projects submitted through an Order No. 1000 window can displace Supplemental Projects with more cost-effective regional projects that address both regional and supplemental needs
   a) LS Power edits clarify that PJM can consider proposals in its Order No. 1000 windows that address combined supplemental and regional needs. A Supplemental Project can be removed from the RTEP and displaced by a PJM determination that a regional project in the regional plan is more efficient or cost effective than the Supplemental Project under Order 1000 (see FERC Order 1000 compliance orders for PJM).
   i) See LS edits in Section 1.4.2.1 (c), Section 1.4.2, and Section 1.4.3 - all address displacement issue.

3) Supplemental Projects should be removed from the RTEP when the final order from the state denying the project is received. It should not wait to go through the entire State appellate process and sit in the RTEP models for 3-4 extra years.
   a) see LS edits in Section 1.4.3

4) Supplemental Projects should not be able to undermine the integrity of open Order 1000 competitive windows. PJM should not accept Supplemental Projects that would impact the need identified in the proposal window (after the window opens) unless the Supplemental Project was properly submitted in the Order 1000 proposal window
   a) see LS edits in Section 1.4.2.1(b)
Comment 2:
The question was whether the Manual 14B changes were complete as posted. PJM indicated at the PC meeting that they were interested in holding at least one additional meeting to further attempt to resolve differences between their language and LS Power’s. Indicating that the Manual changes are complete at this time would be indicating that we don’t think that additional meeting should take place. In fact, we feel quite the opposite, as we feel fairly certain that any remaining concerns, including those identified through this poll, can be accommodated within PJM’s proposed language.

Comment 3:
1.4.2, 1.4.2.1, 1.4.3

Comment 4:
1.4 2, 1.4.2.1, and 1.4.3 if rge manual still have matters that must be resolved.

Comment 5:
We still have concerns with Section 1.4.2, Section 1.4.2.1 and Section 1.4.3. We believe further discussion is warranted and are glad that PJM has scheduled a special PC. LS Power has identified concerns and we believe that PJM can help stakeholders address the concerns with manual language after further discussion at the special PC.
**Comment 6:**
PJM's proposal does not address the following:
1. The authority of PJM over its RTEP, and whether this authority should be clarified further by FERC.
2. The ability for Supplemental projects to displace or force out more cost-effective projects, including baseline and/or Order 1000 projects.
3. For those projects that require approval from a relevant authority, the projects are not considered planned until after the relevant authority approves the permit. This would effectively exclude Supplemental projects that require relevant authority approval (CPCN) from the local plan until after approval by a relevant authority. Alternatively, if projects are included in the local plan and modeled before the relevant approval, all projects should be removed from the RTEP if the relevant authority denies the permit, and PJM should not have to wait until after the exhaustion of process or appeal to do so.

**Comment 7:** *(Similar to Comment 6)*
The proposal does not clarify PJM's authority over its RTEP, the issue of supplemental projects displacing more cost-effective projects, including baseline and Order 1000 projects and there is no consideration of the fact that to the extent a project requires additional approval, the project should be considered fully planned until it has approval from the relevant authority. To the extent the project does not get approval, it should be removed from the RTEP.

**Comment 8:**
For the most part, the manual is in good shape. The cost allocation language should be stricken since it may be in conflict with the tariff.