

# Interconnection Construction Service Agreement (ICSA) Superseding Language and Automatic Termination Provision

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**Problem Statement** 

- PJM Open Access Transmission Tariff (Tariff), Attachment P, section 1 and Appendix 2, section 14.1.1 cause PJM increased administrative burden
  - PJM Tariff, Attachment P, section 1 does not contain pro-forma language accounting for circumstances when ICSA supersedes already-effective ICSA
  - PJM Tariff, Attachment P, Appendix 2, section 14.1.1 provides for automatic termination of ICSA upon occurrence of last of four conditions, which can occur without PJM's knowledge
- These provisions can make it difficult for PJM to efficiently administer its service agreements tariff

PJM Tariff, Attachment P – ICSA



**Issue Charge** 

- Approve language changes to PJM Tariff, Attachment P, section 1; and
- Approve language changes to PJM Tariff, Attachment P, Appendix 2, section 14.1.1.

PJM Tariff, Attachment P – ICSA



#### **Solution Proposal**

- ICSA Superseding Language
  - Account for circumstances when an ICSA supersedes an alreadyeffective ICSA
    - Mirroring language in PJM Tariff, Attachment O, section 1
- ICSA Automatic Termination Provision
  - Make auto-termination contingent upon: (1) PJM receiving notice of the occurrence of the four conditions; and, for ICSAs on file with the Commission, (2) PJM cancelling such ICSAs in accordance with Commission rules and regulations

PJM Tariff, Attachment P – ICSA



March MRC Review

- First read of Solution Proposal
- Review proposed Tariff Language
  - Posted to the PC today for informational purposes
- Stakeholder discussion and feedback to ICSA auto-termination provision
  - Contemplated application of ICSA auto-termination provision (see slide
    6)



## **Contemplated Application of ICSA Auto-Termination**

- Conforming ICSAs
  - Terminate on the date TO provides notice that conditions set forth in 14.1.1(a)(i)-(iv) have occurred
    - In respective EQRs, PJM and TOs can reflect conforming ICSAs as cancelled effective on notice date
- Non-conforming ICSAs
  - Terminate after TO provides notice that the conditions set forth in 14.1.1(a)(i)-(iv) have occurred; and
  - PJM files the required notice of cancellation and such cancellation is accepted by FERC
    - PJM serves parties to ICSAs, including TOs, with notice of cancellation
    - Terminates on the effective date accepted by FERC
    - In respective EQRs, PJM and TOs can reflect non-conforming ICSAs as cancelled as accepted by FERC



#### **Request for PC Endorsement**

- Issue Charge
  - Posted with today's materials

- Solution Proposal (slide 4)
  - Draft redline PJM Tariff language posted with today's materials for informational purposes only
  - Proposed friendly amendment posted with today's PC materials

PJM OATT – Attachment P – Interconnection Construction Service Agreement (ICSA)



## **Anticipated Next Steps**

Action Required	Deadline	Who May Be Affected
PC first read	3/9/2021 (complete)	
PC feedback to Issue Charge and Solution Proposal	3/12/2021 (complete)	
MRC first read	3/29/2021 (complete)	PJM Transmission Owners and Generation Interconnection Customers
PC endorsement of Issue Charge and Solution Proposal	4/6/2021 (requested today)	
MRC endorsement	4/21/2021	
MC endorsement	5/3/2021	
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