

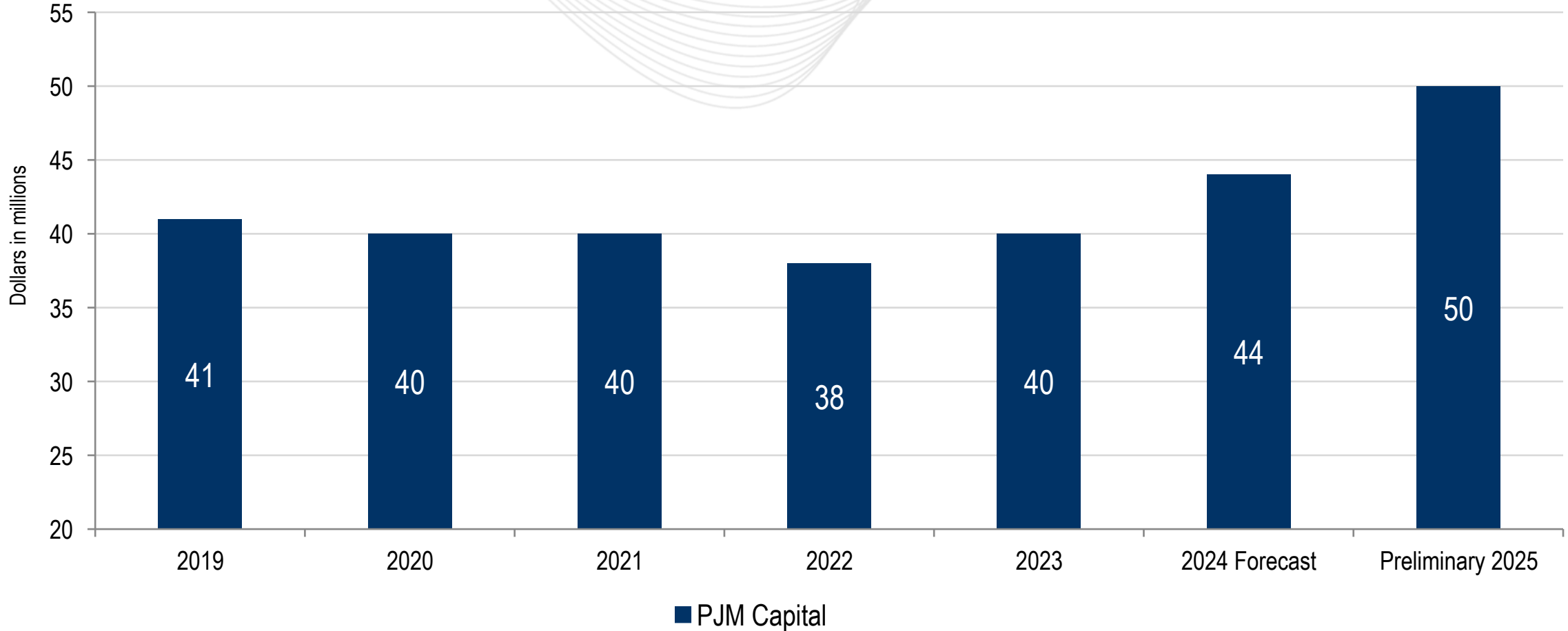


Preliminary 2025 Budget

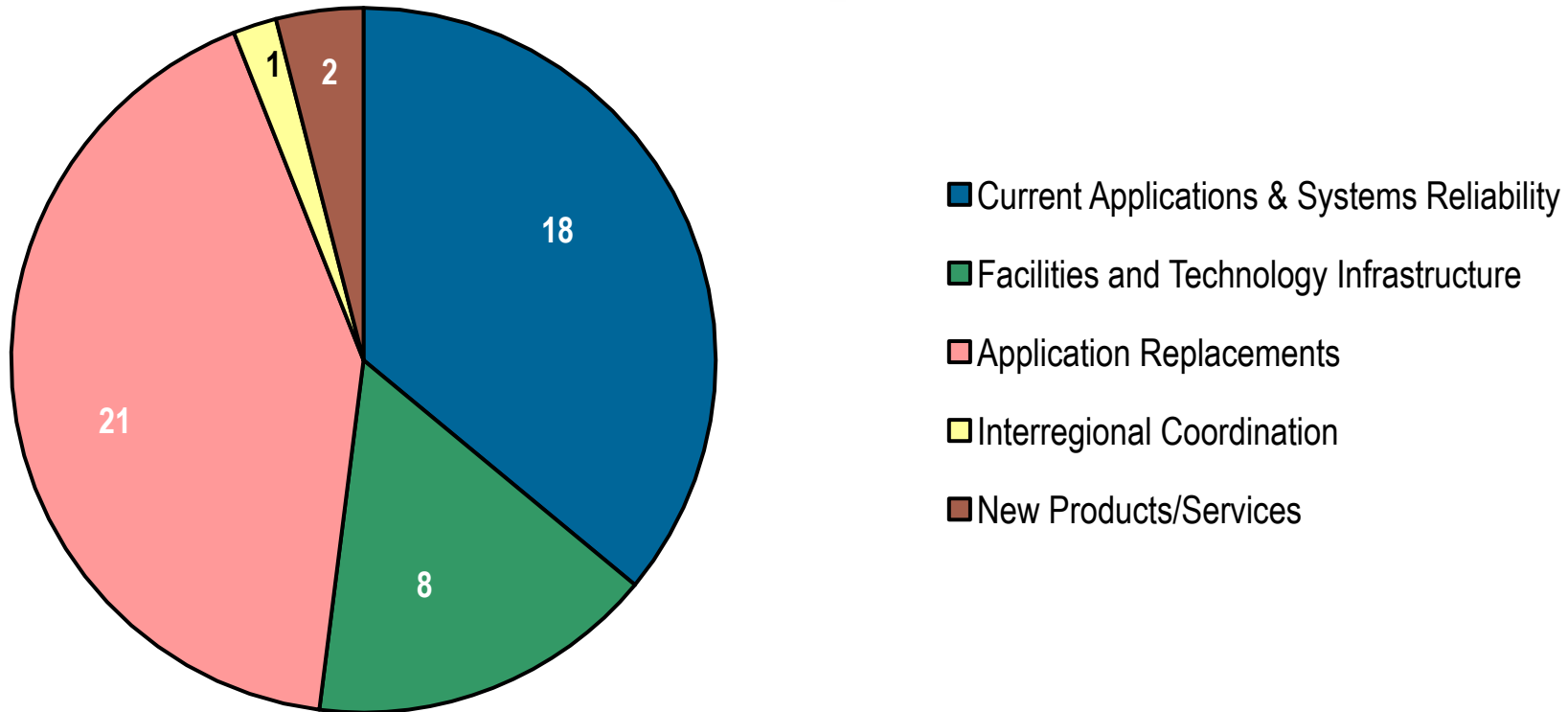
Planning Committee
September 12, 2024
Jim Snow



Annual Capital Expenditures



Total = \$50 million





Application Replacements/Retrofit

<i>(dollars in millions, except rates)</i>	2024	2025
Capital	8	21
Expense	3	5

Energy Management Network Application and Training Systems – This project will implement updated architecture for PJM’s Transmission Network Application (TNA) and the Operator/Dispatch Training (OTS/DTS) systems. *Service Category: 9-1 Control Area Services*

Energy Management Model Manager – This project will implement updated architecture for PJM’s Model Manager (IMM) system. *Service Category: 9-1 Control Area Services*

Next Generation Markets Systems (nGEM) – This project is a collaborative project with vendor and ISOs/RTOs to transform the market systems architecture, technology and products. *Service Category: 9-3 Market Support Services*

New Forecast Model Implementation – This project will implement a new short term load forecast model. *Service Category: 9-1 Control Area Services*

Market Settlements Billing Refresh – This project will replace an out-of-support application critical to the weekly and monthly billing system. *Service Category: 9-PSI PJM Settlements Inc.*

SAP ERP Refresh – This project will replace the legacy system with the newest SAP ERP product. *Service Category: 9-5 Management Services*



Current Applications & Systems Reliability

<i>(dollars in millions, except rates)</i>	2024	2025
Capital	21	18
Expense	8	7

Data Analytics – A series of projects to enhance and modernize PJM’s data and analytical capabilities, skills and tools. *Service Category: 9-5 Management Services*

DART Refresh and Enhancements – A series of projects to integrate the Dispatcher Application and Reporting Tool (DART) into PJM’s updated standardized software tools framework, and to provide functional enhancements to the application. *Service Category: 9-1 Control Area Services*

System Planning Enhancements – A series of projects to improve and automate RTEP processes, regional transmission planning, and to support Transmission Reform. *Service Category: 9-1 Control Area Services*

Dispatch Tools Enhancements – A series of enhancements to improve dispatcher situational awareness, automate operational processes, and make necessary changes as a result of FERC order on ambient adjusted ratings (AAR). *Service Category: 9-1 Control Area Services*

Credit and Risk Enhancements – Automation and efficiency improvements of credit/ risk applications. *Service Category: 9-PSI PJM Settlements & 9-2 FTR Services*

Membership Services Tool Enhancements – A series of projects to enhance the customer relationship management, the Learning Management and Training system tools. *Service Category: 9-5 Management Services*

Cyber Security Enhancements – A series of projects to enhance monitoring and security access of PJM’s computer systems, and remediate potential vulnerabilities. *Service Category: 9-5 Management Services*

PJM.com and Intranet Enhancements – A series of projects to address functionality updates to PJM.com and PJM’s internal employee website. *Service Category: 9-5 Management Services*



Facilities and Technology Infrastructure

<i>(dollars in millions, except rates)</i>	2024	2025
Capital	11	8
Expense	2	3

Technology Infrastructure Upgrades – Projects purchasing network, server, and storage infrastructure equipment. This scope will align technology with PJM’s current architecture as older infrastructure becomes obsolete. *Service Category: 9-5 Management Services*

Control Center Generator Replacement – Replace backup generators critical to supporting control center during power loss. *Service Category: 9-1 Control Area Services*

Market Settlements Server Upgrades – Replace aging servers to improve performance and align with current technology. *Service Category: 9-PSI PJM Settlements Inc.*

Rooftop Heating and Cooling Unit Replacements – Replace rooftop heating and cooling units on the Service Center *Service Category: 9-5 Management Services*



New Products and Services

(dollars in millions, except rates)	2024	2025
Capital	3	2
Expense	1	---

Stakeholder-Driven Efforts – A series of projects to address market system and market settlement enhancements for areas identified in various task force committees. *Service Category: 9-3 Market Support Services, 9-4 Capacity Reserve Services, & 9-PSI PJM Settlements Inc.*

Demand Response Enhancements – This project will add two new parameters for demand response commitment in both the Day Ahead and Real Time Markets. *Service Category: 9-3 Market Support Services & 9-4 Capacity Reserve Services,*

Dispatcher Application and Reporting Tool Enhancements – This project will create a tool to identify transformers with load tap changers and submission of tap changes providing transmission owners visibility of neighboring non-telemetered tap information. *Service Category: 9-1 Control Area Services*



Interregional Coordination

<i>(dollars in millions, except rates)</i>	2024	2024
Capital	1	1
Expense	---	---

Market-to-Market Enhancements – Projects will address work required to implement necessary changes within the market-to market application.
Service Category: 9-3 Market Support Services

- **Energy Management System (EMS) One Line Unification** \$1.3M – Render both Real-Time and Study one line diagrams in the OSI Monarch application.
- **Reserve Certainty Long Term Items** \$0.5M – Upcoming Concern items for energy market incentives for an evolving generation fleet.
- **Credit Surveillance Expansion** \$0.4M – Expansion and streamline internal workflows for credit and risk surveillance of market participants
- **Cyber Security and Monitoring Upgrade** \$0.4M – Upgrades within our security and monitoring tools aligning to current versions.
- **Membership Tools Enhancements** \$0.3M – Enhancements within the Account Manager and Voting applications.

Date	Group	Topics
August 22	Finance Committee	Preliminary 2025 Budget and Projects & Multi-year projections
September 11	Market Implementation Committee	Preliminary 2025 Projects
September 12	Planning Committee	Preliminary 2025 Projects
September 12	Operating Committee	Preliminary 2025 Projects
September 16	Finance Committee	Proposed 2025 Budget and Projects
September 23	Finance Committee Member Representatives	Recommendation Letter to PJM Board of Managers
October	Board of Managers	Consideration of Proposed 2025 Budget