



# Proposed Tariff Updates for Interconnection Process

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- Misspellings / Typos / References
- Omitted previously approved changes
- Deletions
- Re-writes / Clarifications

# Misspellings & Typos

**Issue:** “Activities” is misspelled.

**Title:** **Interconnection Service Agreement, Cost Reimbursement:**

**Redline:** Provided, however, such Transmission Owner Costs may include oversight costs (i.e. costs incurred by the Transmission Owner when engaging in oversight ~~activies~~ activities to satisfy itself that the Interconnection Customer is complying with the Transmission Owner’s standards and specifications for the construction of facilities) only if the Transmission Owner and the Interconnection Customer mutually agree to the inclusion of such costs under the Option to Build pursuant to the provisions of Section 3.2.3.1 of Appendix 2 of the form of Interconnection Construction Service Agreement (set forth in Attachment P of the Tariff).

**Issue:** Activities is misspelled.

**Title:** **Upgrade Construction Service Agreement, Cost Reimbursement:**

**Redline:** Provided, however, such Transmission Owner Costs may include oversight costs (i.e. costs incurred by the Transmission Owner when engaging in oversight ~~activies~~ activities to satisfy itself that the New Service Customer is complying with the Transmission Owner's standards and specifications for the construction of facilities) only if the Transmission Owner and the New Service Customer mutually agree to the inclusion of such costs under the Option to Build pursuant to the provisions of Section 6.2.1 of Appendix III of the form of Upgrade Construction Service Agreement (set forth in Attachment GG of the Tariff).

**Issue:** Deposit is misspelled.

**Title:** **Facilities Study, Deposit:**

**Redline:** Notwithstanding the foregoing, for an Interconnection Customer with a proposed Customer Facility that is: (a) equal to or less than 20 MW but greater than 2 MW shall pay a refundable deposit in the amount of \$50,000; or (b) equal to or less than 2 MW shall pay a refundable ~~deoposit~~ deposit in the amount of \$15,000.

**Issue:** Improper reference to the OA; OA also has improper references to Tariff sections.

**Title:** **Interconnection Requests Designated As Market Solutions:**

**Redline:** The provisions of this section shall apply to any Interconnection Request related to a project that Transmission Provider determines, in accordance with Section 1.5.7~~(h)~~(i) of Schedule 6 of the Operating Agreement could relieve a transmission constraint and which, in the judgment of the Transmission Provider, is economically justified (hereafter, a “market solution”).



## §112A.3.1

**Issue:** Corrects errant reference to small generator screens Tariff section.

**Title:** **Results of Screens:**

**Redline:** If the proposed interconnection passes the screens set forth in section ~~112A.1~~ 112A.2 of this Tariff, the proposed interconnection shall be approved and the Transmission Provider will undertake Reasonable Efforts to provide the Interconnection Customer with an executable Interconnection Service Agreement within five business days after the determination.



**Issue:** Corrects errant reference to small generator screens Tariff section.

**Title:** **Results of Screens:**

**Redline:** If the proposed interconnection of the Energy Resource fails the screens set forth in section ~~112A.1~~112A.2 of this Tariff, but the Transmission Provider, in consultation with the Interconnected Transmission Owner, determines that the Energy Resource may nevertheless be interconnected consistent with safety, reliability, and power quality standards, the Transmission Provider will undertake Reasonable Efforts to provide the Interconnection Customer an executable Interconnection Service Agreement within five business days after such determination.

**Issue:** Corrects errant reference to small generator screens Tariff section.

**Title:** **Results of Screens:**

**Redline:** If the proposed interconnection of the Energy Resource fails the screens set forth in section ~~112A.1~~112A.2 of this Tariff, but the Transmission Provider does not or cannot determine from the initial review that the Energy Resource may nevertheless be interconnected consistent with safety, reliability, and power quality standards unless the Interconnection Customer is willing to consider minor modifications or further study, the Transmission Provider shall provide the Interconnection Customer with the opportunity to attend a customer options meeting.



# Attachment P, Appendix 2, §13.1A

**Issue:** Clarifies 13.1A from 13.1(a).

**Title:** **Required Coverages For Generation Resources Of 20 Megawatts Or Less:**

**Redline:** Each Interconnected Entity shall maintain the types of insurance as described in section 13.1 paragraphs ~~A~~(a) through ~~E~~(e) in an amount sufficient to insure against all reasonably foreseeable direct liabilities given the size and nature of the generating equipment being interconnected, the interconnection itself, and the characteristics of the system to which the interconnection is made.



# Attachment P, Appendix 2, §13.1

**Issue:** Changes A-E to (a)–(e).

**Title:** **Required Coverages For Generation Resources Of More Than 20 Megawatts or Merchant Transmission Facilities:**

- Redline:** ~~A~~(a). Workers Compensation insurance ...  
~~B~~(b). Commercial General Liability Insurance ...  
~~C~~(c). Comprehensive Automobile Liability Insurance ...  
~~D~~(d). Excess/Umbrella Liability Insurance ...  
~~E~~(e). Professional Liability Insurance ...



# Attachment 0, Appendix 2, §11.1A

**Issue:** Clarifies 11.1A from 11.1(a).

**Title:** **Required Coverages For Generation Resources Of 20 Megawatts Or Less:**

**Redline:** Each Interconnected Entity shall maintain the types of insurance as described in section 11.1 paragraphs ~~A~~(a) through ~~E~~(e) in an amount sufficient to insure against all reasonably foreseeable direct liabilities given the size and nature of the generating equipment being interconnected, the interconnection itself, and the characteristics of the system to which the interconnection is made.



# Attachment 0, Appendix 2, §11.1

**Issue:** Changes A-E to (a)–(e).

**Title:** **Required Coverages For Generation Resources Of More Than 20 Megawatts or Merchant Transmission Facilities:**

- Redline:** ~~A~~(a). Workers Compensation insurance ...  
~~B~~(b). Commercial General Liability Insurance ...  
~~C~~(c). Comprehensive Automobile Liability Insurance ...  
~~D~~(d). Excess/Umbrella Liability Insurance ...  
~~E~~(e). Professional Liability Insurance ...

**Issue:** Corrects misspelling of Expansion.

**Title:** **Cost Responsibility for Necessary Facilities and Upgrades, Local and Network Upgrades:**

**Redline:** Where the New Service Request calls for accelerating the construction of a Local Upgrade or Network Upgrade that is included in the Regional Transmission Expansion Plan and provided that the party(ies) with responsibility for such construction can accomplish such an acceleration, the New Service Customer shall pay all costs that would not have been incurred under the Regional Transmission ~~Expansion~~ Expansion Plan but for the acceleration of the construction of the upgrade.

**Issue:** Reference missed when section was moved to Part VI.

**Title:** **IDR Transfer Agreement:**

**Redline:** An agreement to transfer, subject to the terms of Section ~~49B-237~~ of the Tariff, Incremental Deliverability Rights to a party for the purpose of eliminating or reducing the need for Local or Network Upgrades that would otherwise have been the responsibility of the party receiving such rights.





- Issue:** Currently agreement becomes effective before all parties execute.
- Title:** **System Impact Study Agreement:**
- Redline:** This System Impact Study Agreement shall be effective as of the date of both the New Service Customer's and PJM's execution of it and shall remain in effect until the earlier of (a) the date on which the Transmission Provider tenders the completed System Impact Study and a proposed Facilities Study Agreement to New Service Customer pursuant to Section 206 of the PJM Tariff, or (b) termination and withdrawal of the New Service Request(s) to which the System Impact Study hereunder relates.



**Issue:** Currently agreement becomes effective before all parties execute.

**Title: Facilities Study Agreement:**

**Redline:** This Facilities Study Agreement shall be effective as of the date of **both** the New Service Customer's **and PJM's** execution of it and shall remain in effect until the earlier of (a) the date on which the Transmission Provider tenders the completed Facilities Study and, as applicable, a proposed Interconnection Service Agreement or Upgrade Construction Service Agreement to New Service Customer pursuant to Section 212 or Section 213, respectively, of the PJM Tariff, or (b) termination and withdrawal of the New Service Request(s) to which the Facilities Study hereunder relates.



- Issue:** Currently agreement becomes effective before all parties execute.
- Title:** **Optional Interconnection Study Agreement:**
- Redline:** This Optional Interconnection Study Agreement shall be effective as of the date of both the New Service Customer's and PJM's execution of it and shall remain in effect until the earlier of (a) completion and final payment for the Optional Interconnection Study or (b) termination and withdrawal of the Interconnection Request(s) to which the Optional Interconnection Study hereunder relates.

# Omitted Previously Approved Changes

**Issue:** RPPWG changed the process for Security and created advanced quarterly invoicing. The historical reasoning to hold full surety was eliminated when Tariff invoicing requirement went from arrears to advanced quarterly.

**Title:** **Interconnection Service Agreement, Retaining Priority and Security:**

**Redline:** Retaining Priority and Security: (3) Transmission Provider shall hold the security related to construction ~~of Attachment Facilities~~ until ~~as-built drawings are received and~~ settlement of the final invoice; security related to construction ~~of Local Upgrades and/or Network Upgrades~~ may be reduced as construction progresses.



# Attachment 0, Appendix 2, §11.2.1

**Issue:** RPPWG changed the process for Security and created advanced quarterly invoicing. The historical reasoning to hold full surety was eliminated when Tariff invoicing requirement went from arrears to advanced quarterly.

**Title:** **ISA, Adjustments to Security:**

**Redline:** The Security provided by Interconnection Customer at or before execution of the Interconnection Service Agreement (a) shall be reduced as portions of the work ~~on required Local Upgrades and/or Network Upgrades is~~ ~~are~~ completed, and/or (b) shall be increased or decreased as required to reflect adjustments to Interconnection Customer's cost responsibility, as determined in accordance with Section 217, to correspond with changes in the Scope of Work developed in accordance with Transmission Provider's scope change process for interconnection projects set forth in the PJM Manuals.



# Attachment P, Appendix 2, §9.1

**Issue:** RPPWG change the process for Security and created advanced quarterly invoicing. The historical reasoning to hold full surety was eliminated when Tariff invoicing requirement went from arrears to advanced quarterly.

**Title:** **ICSA, Adjustments to Security:**

**Redline:** The Security provided by Interconnection Customer at or before execution of the Interconnection Service Agreement (a) shall be reduced as portions of the work ~~on required Local Upgrades and/or Network Upgrades is~~ ~~are~~ completed, and/or (b) shall be increased or decreased as required to reflect adjustments to Interconnection Customer's cost responsibility, as determined in accordance with Section 217, to correspond with changes in the Scope of Work developed in accordance with Transmission Provider's scope change process for interconnection projects set forth in the PJM Manuals.

**Issue:** Section 38 should have moved to 232.2.2 during Part VI split. Language is currently listed under interconnections, but should be with TIR, TWRs.

**Title:** **Service on Merchant Transmission Facilities:**

**Redline:** **38 [Reserved]**

**232.2.2 Service on Merchant Transmission Facilities:**

(c) Except as otherwise provided under this Section ~~38~~-232.2.2, transmission service on, and operation of, Merchant Transmission Facilities shall be subject to the terms and conditions (including in particular, but not limited to, those relating to Transmission Provider's authority in the event of an emergency) applicable to Transmission Service under the Tariff and the Operating Agreement.





# Schedule 14

**Issue:** This change results from moving language from 38 to 232.2.2.

**Title:** **Transmission Service on the Neptune Line**

**Redline:** Pursuant to Section [232.2.2](#) ~~38~~ of the Tariff, this Schedule provides the terms and conditions of transmission service on the Neptune Line which is a Merchant Transmission Facility under the Tariff and the PJM Operating Agreement.



- Issue:** This change results from moving language from 38 to 232.2.2.
- Title:** **Transmission Service on the Linden VFT Facility**
- Redline:** Pursuant to Section [232.2.2](#) ~~38~~ of the Tariff, this Schedule provides the terms and conditions of transmission service on the Linden VFT Facility which is a Merchant Transmission Facility under the Tariff and the Amended and Restated Operating Agreement of PJM Interconnection, L.L.C. (“Operating Agreement”).



# Schedule 16-A

- Issue:** This change results from moving language from 38 to 232.2.2.
- Title:** **Transmission Service for Imports on the Linden VFT Facility**
- Redline:** Pursuant to Section [232.2.2](#) ~~38~~ of the Tariff, this Schedule provides the terms and conditions of transmission service for imports on the Linden VFT Facility which is a Merchant Transmission Facility under the Tariff and the Amended and Restated Operating Agreement of PJM Interconnection, L.L.C. (“Operating Agreement”).



# Attachment 0, Appendix 2, §4.4

**Issue:** This change adds language to the ISA to alert Merchant Transmission Customer of obligations in 232.2.2.

**Title:** **Transmission Interconnection Customer Obligations**

**Redline:** **4.4 Transmission Interconnection Customer Obligations [Reserved.]**

A Transmission Interconnection Customer that will be a Merchant Transmission Provider is subject to the terms and conditions in Tariff Section 232.2.2.

**Issue:** The RPPWG required that data be submitted with the SIS Agreement, no matter when the queue request was made.

**Title:** **System Impact Study, Interconnection Requests:**

**Redline:** (D) in the case of a wind generation facility, provide a detailed electrical design specification and other data (including system layout data) as required by the Transmission Provider for completion of the System Impact Study ~~no later than 6 months after submission of the Generation Interconnection Request~~, and ...

**Issue:** This was missed in IPSTF update regarding small generator deposits. This makes §110.1 language the same as §111.1.

**Title:** **Permanent Capacity Resource Additions Of 20 MW Or Less, Application**

**Redline:** Upon completion of the Feasibility Study or Alternate Queue Process studies, the Transmission Provider will return any unused deposit monies to Interconnection Customer. ~~Any remaining deposit monies will be credited toward the Interconnection Customer's cost responsibility for any other studies conducted for that Interconnection Request under Part VI of the Tariff, which will be applied prior to the deposit monies collected for that other study.~~

**Issue:** Adds new section and language to guide Alternate Queue study projects to appropriate Tariff agreement section.

**Title:** **Alternate Queue Process**

**Redline:** Upon completion of the Alternate Queue study, if the project entered section 112.5 via section 110.1.1, then proceed to section 110.5, if the project entered section 112.5 via section 111.1.1, then proceed to section 111.5, if the project entered section 112.5 via section 112.1.1, then proceed to section 112.3, for final agreement.

**Issue:** Missed when the queues were changed to six months.

**Title:** **New Services Queue:**

**Redline:** All Interconnection Requests, Completed Applications, and Upgrade Requests that are received within each ~~three~~six-month period ending on ~~January 31~~, April 30, ~~July 31~~, and October 31 of each year shall collectively comprise a New Services Queue.



**Issue:** Missed when the queues were changed to six months.

**Title:** **New Services Queue Closing Date:**

**Redline:** Each ~~January 31~~, April 30, ~~July 31~~, and October 31 shall be the Queue Closing Date for the New Services Queue comprised of Interconnection Requests, Completed Applications, and Upgrade Requests received during the ~~three~~six-month period ending on such date.

# Deletions

**Issue:** The term, practicality, implies PJM is doing a business or technical assessment regarding the merits of a proposed project. PJM provides data to allow a customer to determine the practicality of a project. PJM has not and does not assess merit of a project in evaluations.

**Title:** **Interconnection Feasibility Study:**

**Redline:** The Interconnection Feasibility Study assesses the ~~practicality and~~ cost of accommodating interconnection of the generating unit or increased generating capacity with the Transmission System.

**Note:** This sentence occurs twice in 36.2 and will be corrected in both.

**Issue:** Point of Interconnection is a term used during the study process, prior to the ISA and ICSA.

**Title: Point of Interconnection:**

**Redline:** The point or points, ~~shown in the appropriate appendix to the Interconnection Service Agreement and the Interconnection Construction Service Agreement,~~ where the Customer Interconnection Facilities interconnect with the Transmission Owner Interconnection Facilities or the Transmission System.

- Issue:** Small generator section does not apply to Merchant Transmission. Also removes errant “at”.
- Title:** **Screens Process for Permanent or Temporary Energy Resources of 2 MW or Less, Application**
- Redline:** If any non-refundable deposit monies remain after all studies are complete, such monies will be returned to a Generation Interconnection Customer upon Initial Operation, ~~or to a Transmission Interconnection Customer upon energization of completed facilities as provided in Attachment GG, Appendix III, Section 20 of the Tariff.~~ Attachment Y of the PJM Tariff may be found on the PJM web site ~~at~~.

**Issue:** Option to Build is covered in ICOSA.

**Title:** **Permanent Capacity Resource Additions Of 20 MW Or Less, Facilities Study**

**Redline:** As with larger generation projects, transmission facilities design for any required Attachment Facilities, Local Upgrades and/or Network Upgrades will be performed through the execution of a Facilities Study Agreement between the Interconnection Customer and Transmission Provider. Transmission Provider may contract with consultants, including the Interconnected Transmission Owners, or contractors acting on their behalf, to perform the bulk of the activities required under the Facilities Study Agreement. ~~In some cases, the Interconnection Customer and Transmission Provider may reach agreement allowing the Interconnection Customer to separately arrange for the design of some of the required transmission facilities. In such cases, facilities design will be reviewed, under the Facilities Study Agreement, by the Interconnected Transmission Owner.~~

- Issue:** Option to Build is covered in ICSA.
- Title:** **Permanent Energy Resource Additions Of 20 MW Or Less But Greater Than 2MW, Facilities Study**
- Redline:** As with larger generation projects, transmission facilities design for any required Attachment Facilities, Local Upgrades and/or Network Upgrades will be performed through the execution of a Facilities Study Agreement between the Interconnection Customer and Transmission Provider. Transmission Provider may contract with consultants, including the Interconnected Transmission Owners, or contractors acting on their behalf, to perform the bulk of the activities required under the Facilities Study Agreement. ~~In some cases, the Interconnection Customer and Transmission Provider may reach agreement allowing the Interconnection Customer to separately arrange for the design of some of the required transmission facilities. In such cases, facilities design will be reviewed, under the Facilities Study Agreement, by the Interconnected Transmission Owner.~~



**Issue:** Remove web-link reference.

**Title:** **Permanent Capacity Resource Additions Of 20 MW Or Less, Application**

**Redline:** Attachment N of the PJM Tariff may be found on the PJM web site ~~at~~—and must be submitted to Transmission Provider.



**Issue:** Remove web-link reference.

**Title:** **Permanent Energy Resource Additions Of 20 MW Or Less But Greater Than 2MW, Application**

**Redline:** The Interconnection Customer desiring the interconnection of a new Energy Resource of 20 MW or less but greater than 2 MW or the increase in capability, by 20 MW or less but greater than 2 MW of an existing resource, must submit a completed Attachment N – Form of Generation Interconnection Feasibility Study Agreement. Attachment N of the PJM Tariff may be found on the PJM web site ~~at <http://pjm.com/planning/rtep-development/expansion-plan-process/formattachment-n.aspx>~~ and must be submitted to Transmission Provider.



**Issue:** Remove web-link reference.

**Title:** **Temporary Energy Resource Additions Of 20 MW Or Less But Greater Than 2 MW, Application**

**Redline:** The Generation Interconnection Customer desiring the interconnection of a temporary Energy Resource of 20 MW or less but greater than 2 MW must submit a completed Attachment N –Form of Generation Interconnection Feasibility Study Agreement. Attachment N of the PJM Tariff may be found on the PJM web site ~~at~~—and must be submitted to Transmission Provider.



**Issue:** All other deposit references in Tariff exclude pennies.

**Title:** **Facilities Study Agreement:**

**Redline:** Concurrent with execution of this Agreement, New Service Customer will pay Transmission Provider a cash deposit, as provided by Section 206 of the PJM Tariff, equal to the greater of \$100,000~~.00~~ or New Service Customer's estimated cost responsibility for the first three months of work on the Facilities Study. Notwithstanding the foregoing, an Interconnection Customer with a proposed Customer Facility that is: (a) equal to or less than 20 MW but greater than 2 MW shall pay a refundable deposit in the amount of \$50,000; or (b) equal to or less than 2 MW shall pay a refundable deposit in the amount of \$15,000.

# Deletions: Merchant Network Upgrades



# TABLE OF CONTENTS, ATTACHMENT O

**Issue:** The existing ISA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Specifications for Interconnection Service Agreement**

**Redline:** 1.0  
2.0 Rights  
3.0 Construction Responsibility and Ownership of Interconnection Facilities  
4.0  
4.1 Attachment Facilities Charge  
4.2 Network Upgrades Charge  
4.3 Local Upgrades Charge  
4.4 Other Charges  
~~4.5 Cost of Merchant Network Upgrades~~



# TABLE OF CONTENTS, ATTACHMENT O

**Issue:** The existing ISA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **4 Operations**

**Redline:** 4.1 General  
4.2 Operation of ~~Merchant~~-Network Upgrades  
4.3 Interconnection Customer Obligations  
4.4 [Reserved.]



# TABLE OF CONTENTS, ATTACHMENT O

**Issue:** The existing ISA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **5 Maintenance**

- Redline:**
- 5.1 General
  - 5.2 Maintenance of ~~Merchant~~ Network Upgrades
  - 5.3 Outage Authority and Coordination
  - 5.4 Inspections and Testing
  - 5.5 Right to Observe Testing
  - 5.6 Secondary Systems
  - 5.7 Access Rights
  - 5.8 Observation of Deficiencies



# TABLE OF CONTENTS, ATTACHMENT O

- Issue:** The existing ISA language references a Merchant Network Upgrade, which can only be performed under an UCSA.
- Title:** **11 Security, Billing And Payments**
- Redline:** 11.1 Recurring Charges Pursuant to Section 10  
11.2 Costs for Transmission Owner Interconnection Facilities and/or **Merchant**  
Network Upgrades  
11.3 No Waiver  
11.4 Interest





# ATTACHMENT 0, §10.1

**Issue:** The existing ISA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Cost Responsibility**

**Redline:** Interconnection Customer shall be responsible for and shall pay upon demand all Costs associated with the interconnection of the Customer Facility as specified in the Tariff. These Costs may include, but are not limited to, an Attachment Facilities charge, a Local Upgrades charge, a Network Upgrades charge and other charges, ~~as well as Costs of any Merchant Network Upgrades constructed on behalf of Interconnection Customer.~~ A description of the facilities required and an estimate of the Costs of these facilities are included in Sections 3.0 and 4.0 of the Specifications to this ISA.



# ATTACHMENT 0, §10.4

**Issue:** The existing ISA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Cost Responsibility**

**Redline:** 10.4 In the event that the Interconnection Customer elects to construct some or all of the Transmission Owner Interconnection Facilities and/or of any ~~Merchant~~-Network Upgrades under the Option to Build of the Interconnection Construction Service Agreement, billing and payment for the Costs associated with the facilities contemplated by this ISA shall relate only to such portion of the Interconnection Facilities and/or any ~~Merchant~~-Network Upgrades as the Interconnected Transmission Owner is responsible for building.



## ATTACHMENT 0, §11.2A

- Issue:** The existing ISA language references a Merchant Network Upgrade, which can only be performed under an UCSA.
- Title:** ~~List and Ownership of Merchant Network Upgrades~~
- Redline:** ~~If applicable, Merchant Network Upgrades to be constructed and ownership of the components thereof are identified in Section 3.0 of the Specifications attached to this ISA.~~



# ATTACHMENT 0, Specifications, §3.0a.(2)

**Issue:** The existing ISA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Interconnection Customer**

**Redline:** Agreement, Interconnection Customer has exercised the Option to Build, it is hereby permitted to build in accordance with and subject to the conditions and limitations set forth in that Section, the following portions ~~(1)~~ of the Transmission Owner Interconnection Facilities ~~and/or (2) of any Merchant Network Upgrades which constitute or are part of the Customer Facility:~~

**[Specify Facilities To Be Constructed]**



# ATTACHMENT 0, Specifications, §4.7

**Issue:** The existing ISA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Costs**

**Redline:** 4.7 Security Amount Breakdown:

\$ Estimated Cost of Non-Direct Connection Local Upgrades  
and/or Non-Direct Connection Network Upgrades

~~plus \$ Estimated Cost of any Merchant Network  
Upgrades that Interconnected Transmission Owner is responsible for building~~



# ATTACHMENT 0, Appendix 2, §1.4.2

**Issue:** The existing ISA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Initial Operation**

**Redline:** The Interconnected Transmission Owner has accepted any Interconnection Facilities and/or ~~Merchant~~-Network Upgrades constructed by Interconnection Customer pursuant to the Interconnection Construction Service Agreement;



# ATTACHMENT 0, Appendix 2, §1.4.4

**Issue:** The existing ISA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Initial Operation**

**Redline:** The Interconnected Transmission Owner has received all applicable documentation for the Interconnection Facilities and/or ~~Merchant~~-Network Upgrades built by the Interconnection Customer, certified as correct, including, but not limited to, access to the field copy of marked-up drawings reflecting the as-built condition, pre-operation test reports, and instruction books; and



# ATTACHMENT 0, Appendix 2, §4.2

**Issue:** The existing ISA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Operation of ~~Merchant~~ Network Upgrades:**

**Redline:** Unless otherwise provided in the Interconnection Service Agreement, the Interconnected Transmission Owner that owns Transmission System facilities to which any ~~Merchant~~ Network Upgrades are connected shall operate such ~~Merchant~~ Network Upgrades (a) on behalf and at the expense of the Interconnection Customer that constructed or caused construction of the pertinent ~~Merchant~~ Network Upgrades and (b) in accordance with this Appendix 2 and with an agreement between the Interconnected Transmission Owner and the Interconnection Customer regarding such operation.





# ATTACHMENT 0, Appendix 2, §5.5

**Issue:** The existing ISA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Right to Observe Testing:**

**Redline:** Each Interconnected Entity shall notify the other Interconnected Entity in advance of its performance of tests of its portion of the Interconnection Facilities or of any ~~Merchant~~-Network Upgrades. The other Interconnected Entity shall, at its own expense, have the right to observe such testing.



# ATTACHMENT 0, Appendix 2, §11.2.2

**Issue:** The existing ISA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Invoice:**

**Redline:** The Interconnected Transmission Owner shall provide Transmission Provider a quarterly statement of the Interconnected Transmission Owner's scheduled expenditures during the next three months for, as applicable (a) the design, engineering and construction of, and/or for other charges related to, construction of the Interconnection Facilities and/or ~~Merchant~~ Network Upgrades for which the Interconnected Transmission Owner is responsible under the Interconnection Service Agreement and the Interconnection Construction Service Agreement, or (b) in the event that the Interconnection Customer exercises the Option to Build pursuant to Section 3.2.3.1 of Appendix 2 of the form of Interconnection Construction Service Agreement (set forth in Attachment P to the Tariff), for the Transmission Owner's Costs associated with the Interconnection Customer's building Attachment Facilities, Local Upgrades, and Network Upgrades (including both Direct Connection Network Upgrades, Direct Connection Local Upgrades, Non-Direct Connection Network Upgrades and Non-Direct Connection Local Upgrades), including but not limited to Costs for tie-in work and Cancellation Costs.



# ATTACHMENT 0, Appendix 2, §11.2.3

**Issue:** The existing ISA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Final Invoice:**

**Redline:** Within 120 days after the Interconnected Transmission Owner completes construction and installation of the Interconnection Facilities and/or ~~Merchant~~-Network Upgrades for which the Interconnected Transmission Owner is responsible under the Interconnection Service Agreement and the Interconnection Construction Service Agreement, Transmission Provider shall provide Interconnection Customer with an accounting of, and the appropriate Construction Party shall make any payment to the other that is necessary to resolve, any difference between (a) Interconnection Customer's responsibility under the Tariff for the actual Cost of such facilities, and (b) Interconnection Customer's previous aggregate payments to Transmission Provider for the Costs of such facilities. Notwithstanding the foregoing, however, Transmission Provider shall not be obligated to make any payment to either the Interconnection Customer or the Interconnected Transmission Owner that the preceding sentence requires it to make unless and until the Transmission Provider has received the payment that it is required to refund from the Construction Party owing the payment.



# ATTACHMENT 0, Appendix 2, §16.2.2

**Issue:** The existing ISA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Network Facilities:**

**Redline:** In the event that (i) the Interconnection Service Agreement and Interconnection Service under this Appendix 2 are terminated and (ii) Transmission Provider determines that some or all of the Interconnection Facilities or of any ~~Merchant~~–Network Upgrades that are owned by the Interconnection Customer are necessary for the safety, integrity and/or reliability of the Transmission System, Interconnection Customer, subject to Applicable Laws and Regulations, shall transfer to the Interconnected Transmission Owner title to the Interconnection Facilities or ~~Merchant~~ Network Upgrades that Transmission Provider has determined to be necessary for the safety, integrity and/or reliability of the Transmission System.



# ATTACHMENT 0, Appendix 2, §16.2.2.1

**Issue:** The existing ISA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Network Facilities:**

**Redline:** At the time of termination, the Transmission Provider and the Interconnected Entities shall keep in place any portion of the Interconnection Facilities and/or of any ~~Merchant~~-Network Upgrades that the Transmission Provider deems necessary for the safety, integrity and/or reliability of the Transmission System. Otherwise, Transmission Provider may, in its discretion, within 30 days following termination of Interconnection Service, require the removal of all or any part of the Interconnection Facilities or of any ~~Merchant~~-Network Upgrades.



## ATTACHMENT 0, Appendix 2, §16.2.2.2

**Issue:** The existing ISA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Network Facilities:**

**Redline:** In the event that removal of some or all of the Interconnection Facilities or any ~~Merchant~~ Network Upgrades is necessary to maintain compliance with Applicable Standards, Interconnection Customer shall be responsible for the costs of any such removal. Interconnection Customer shall have the right to take or retain title to equipment and/or facilities that are removed pursuant to this section; alternatively, in the event that the Interconnection Customer does not wish to retain title to removed equipment and/or facilities that it owns, the Interconnected Transmission Owner may elect to pay the Interconnection Customer a mutually agreed amount to acquire and own such equipment and/or facilities.



# ATTACHMENT 0, Schedule G

- Issue:** The existing ISA language references a Merchant Network Upgrade, which can only be performed under an UCSA.
- Title:** **INTERCONNECTION CUSTOMER’S AGREEMENT TO CONFORM WITH IRS SAFE HARBOR PROVISIONS FOR NON-TAXABLE STATUS**
- Redline:** As provided in Section 24.1 of Appendix 2 to this ISA and subject to the requirements thereof, Interconnection Customer represents that it meets all qualifications and requirements as set forth in Section 118(a) and 118(b) of the Internal Revenue Code of 1986, as amended and interpreted by Notice 88-129, 1988-2 C.B. 541, and as amplified and modified in Notices 90-60, 1990-2 C.B. 345, and 2001-82, 2001-2 C.B. 619 (the “IRS Notices”). Interconnection Customer agrees to conform with all requirements of the safe harbor provisions specified in the IRS Notices, as they may be amended, as required to confer non-taxable status on some or all of the transfer of property, including money, by Interconnection Customer to Interconnected Transmission Owner with respect to the payment of the Costs of construction and installation of the Transmission Owner Interconnection Facilities and/or **Merchant** Network Upgrades specified in this ISA.



# TABLE OF CONTENTS, ATTACHMENT P

- Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.
- Title:** **SCHEDULE E**
- Redline:** ~~Merchant Network Upgrades to be Built by Interconnected Transmission Owner~~ [Reserved.]





# TABLE OF CONTENTS, ATTACHMENT P

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **SCHEDULE F**

**Redline:** ~~Merchant Network Upgrades to be Built by Interconnection Customer Pursuant to Option to Build~~ [Reserved.]



# Attachment P, §5(c)

**Issue:** The existing ICSA language references in a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Construction Responsibility for:**

**Redline:** ~~[include c. below only if applicable to a Merchant Transmission interconnection:]~~

~~e. Construction of Merchant Network Upgrades.~~

~~1. The Merchant Network Upgrades regarding which Interconnected Transmission Owner shall be the Constructing Entity are described on the attached Schedule E to this CSA.~~

~~2. Election of Construction Option. Specify below whether the Constructing Entities have mutually agreed to construction of the Merchant Network Upgrades that will be built by the Interconnected Transmission Owner pursuant to the Standard Option or the Negotiated Contract Option. (See Section 3.2 of Appendix 2 to this CSA.)~~

~~\_\_\_\_\_ Standard Option.~~

~~\_\_\_\_\_ Negotiated Contract Option.~~

~~If the parties have mutually agreed to use the Negotiated Contract Option, the permitted, negotiated terms on which they have agreed and which are not already set~~

~~forth as part of the Scope of Work and/or Schedule of Work attached to this CSA as Schedules I and J, respectively, shall be as set forth in Schedule H attached to this CSA.~~

~~3. Exercise of Option to Build. Has Interconnection Customer timely exercised the Option to Build in accordance with Section 3.2.3 of Appendix 2 to this CSA with respect to some or all of the Merchant Network Upgrades?~~

~~\_\_\_\_\_ Yes~~

~~\_\_\_\_\_ No~~

~~If Yes is indicated, Interconnection Customer shall build, in accordance with and subject to the conditions and limitations set forth in Section 3.2.3 of Appendix 2 to this CSA, those portions of the Merchant Network Upgrades described on Schedule F attached to this CSA.~~



# Attachment P, Appendix 2, §2.1.1

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Interconnection Customer Obligations; Generally:**

**Redline:** Interconnection Customer shall, at its sole cost and expense, design, procure, construct, own and install the Customer Facility and the Customer Interconnection Facilities in accordance with this Appendix 2 to this CSA, Applicable Standards, Applicable Laws and Regulations, Good Utility Practice, the Scope of Work and the Facilities Study (to the extent that design of the Customer Interconnection Facilities is included therein), provided, however, that, in the event and to the extent that the Customer Facility is comprised of or includes ~~Merchant~~-Network Upgrades, subject to the terms of Section 3.2.3 of this Appendix 2, the Interconnected Transmission Owner, shall design, procure, construct and install such ~~Merchant~~-Network Upgrades.



# Attachment P, Appendix 2, §2.2

- Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.
- Title:** **Transmission Owner Interconnection Facilities and ~~Merchant~~ Network Upgrades**



# Attachment P, Appendix 2, §2.2.1

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Generally:**

**Redline:** (a) All Transmission Owner Interconnection Facilities necessary for the interconnection of the Customer Facility and (b) any ~~Merchant~~–Network Upgrades shall be designed, procured, installed and constructed in accordance with this Appendix 2, Applicable Standards, Applicable Laws and Regulations, Good Utility Practice, the Facilities Study and the Scope of Work under the Interconnection Construction Service Agreement(s).



# Attachment P, Appendix 2, §2.2.2

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Cost Responsibility:**

**Redline:** Responsibility for the Costs of the Transmission Owner Interconnection Facilities and any ~~Merchant~~—Network Upgrades shall be assigned in accordance with Section 217 of the Tariff, as applicable, and shall be stated in the Interconnection Service Agreement.



# Attachment P, Appendix 2, §2.2.3

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Construction Responsibility:**

**Redline:** Except as otherwise permitted under, or as otherwise agreed upon by the Interconnection Customer and the Interconnected Transmission Owner pursuant to, Section 3 of this Appendix 2, the Interconnected Transmission Owner shall be responsible for the design, procurement, construction and installation of the Transmission Owner Interconnection Facilities or any ~~Merchant~~—Network Upgrades. In the event that there are multiple Interconnected Transmission Owners, the Transmission Provider shall determine how to allocate the construction responsibility among them unless they have reached agreement among themselves on how to proceed.



# Attachment P, Appendix 2, §2.2.4

- Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.
- Title:** **Ownership of Transmission Owner Interconnection Facilities and ~~Merchant~~ Network Upgrades:**
- Redline:** The Interconnected Transmission Owner shall own all Transmission Owner Interconnection Facilities and ~~Merchant~~ Network Upgrades that it builds. In addition, the Interconnection Customer will convey to the Interconnected Transmission Owner, as provided in Section 5.5 of this Appendix 2, title to all Transmission Owner Interconnection Facilities and ~~Merchant~~ Network Upgrades built by the Interconnection Customer pursuant to the terms of Section 3.2 of this Appendix 2. Nothing in this section shall affect the interconnection rights otherwise available to a Transmission Interconnection Customer under Subpart C of Part VI of the Tariff.





# Attachment P, Appendix 2, §2.3.1

- Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.
- Title:** **Construction Prior to Execution of Interconnection Construction Service Agreement:**
- Redline:** If the Interconnection Customer procures materials for, and/or commences construction of, the Customer Interconnection Facilities, any Transmission Owner Interconnection Facilities, or any ~~Merchant~~-Network Upgrades that it has elected to construct by exercising the Option to Build under Section 3.2.3 of this Appendix 2, or for any subsequent modification thereto, prior to the execution of the Interconnection Construction Service Agreement or, if the Interconnection Construction Service Agreement has been executed, before the Interconnected Transmission Owner and Transmission Provider have accepted the Interconnection Customer's initial design, or any subsequent modification to the design, of such Interconnection Facilities and/or ~~Merchant~~-Network Upgrades, such procurement and/or construction shall be at the Interconnection Customer's sole risk, cost and expense.



# Attachment P, Appendix 2, §2.3.2

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Monitoring and Inspection:**

**Redline:** The Interconnected Transmission Owner may monitor construction and installation of Interconnection Facilities and/or ~~Merchant~~—Network Upgrades that the Interconnection Customer is constructing. Upon reasonable notice, authorized personnel of the Interconnected Transmission Owner may inspect any or all of such Interconnection Facilities and/or ~~Merchant~~-Network Upgrades to assess their conformity with Applicable Standards.



# Attachment P, Appendix 2, §2.3.3

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Notice of Completion:**

**Redline:** The Interconnection Customer shall notify the Transmission Provider and the Interconnected Transmission Owner in writing when it has completed construction of (i) the Customer Facility; (ii) the Customer Interconnection Facilities; and (iii) any Transmission Owner Interconnection Facilities and/or any ~~Merchant~~-Network Upgrades for which it has exercised the Option to Build under Section 3 of this Appendix 2.



# Attachment P, Appendix 2, §2.4.2

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Tax Indemnity:**

**Redline:** Interconnection Customer shall indemnify the Interconnected Transmission Owner for any costs that Interconnected Transmission Owner incurs in the event that the IRS and/or a state department of revenue (State) determines that the property, including money, transferred by Interconnection Customer to the Interconnected Transmission Owner with respect to the construction of the Transmission Owner Interconnection Facilities and/or any **Merchant** Network Upgrades is taxable income to the Interconnected Transmission Owner. ...



# Attachment P, Appendix 2, §3.1

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Construction by Interconnection Customer:**

**Redline:** The Interconnection Customer shall use Reasonable Efforts to design, procure, construct and install the Customer Interconnection Facilities and any Transmission Owner Interconnection Facilities and/or ~~Merchant~~—Network Upgrades that it elects to build by exercise of the Option to Build (defined in Section 3.2.3.1 below) in accordance with the Schedule of Work.



# Attachment P, Appendix 2, §3.2.1

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Standard Option:**

**Redline:** The Interconnected Transmission Owner shall use Reasonable Efforts to design, procure, construct and install the Transmission Owner Interconnection Facilities and/or any ~~Merchant~~-Network Upgrades that it is responsible for constructing in accordance with the Schedule of Work.



# Attachment P, Appendix 2, §3.2.2

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Negotiated Contract Option:**

**Redline:** As an alternative to the Standard Option set forth in Section 3.2.1 of this Appendix 2, the Interconnected Transmission Owner and the Interconnection Customer may mutually agree to a Negotiated Contract Option for the Interconnected Transmission Owner's design, procurement, construction and installation of the Transmission Owner Interconnection Facilities and/or any ~~Merchant~~-Network Upgrades. ...



# Attachment P, Appendix 2, §3.2.3.1

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Option to Build; Option:**

**Redline:** In the event that the Interconnected Transmission Owner and the Interconnection Customer are unable to agree upon the terms of an Interconnection Construction Service Agreement (a) on or before the date that is 30 days after Interconnection Customer's execution of the Interconnection Service Agreement, or (b) by such earlier date as is reasonable in the light of the schedule for construction of, as the case may be, the Transmission Owner Interconnection Facilities or ~~Merchant~~ Network Upgrades, as set forth in the Facilities Study, and subject to the terms and conditions set forth in Sections 2 and 3 of this Appendix 2, or if mutually agreed by and between the Interconnection Customer and the Transmission Owner, the Interconnection Customer shall have the right, but not the obligation ("Option to Build"), to design, procure, construct and install all or any portion of the Transmission Owner Interconnection Facilities and/or any ~~Merchant~~ Network Upgrades. ...





# Attachment P, Appendix 2, §3.2.3.2(a)

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **General Conditions Applicable to Option:**

**Redline:** In addition to the other terms and conditions applicable to the construction of facilities under this Appendix 2, the Option to Build is subject to the following conditions:

(a) The Interconnection Customer must obtain or arrange to obtain all necessary permits and authorizations for the construction and installation of the Transmission Owner Interconnection Facilities and/or any ~~Merchant~~–Network Upgrades that it is building, provided, however, that when the Interconnected Transmission Owner’s assistance is required, the Interconnected Transmission Owner shall assist the Interconnection Customer in obtaining such necessary permits or authorizations with efforts similar in nature and extent to those that the Interconnected Transmission Owner typically undertakes in acquiring permits and authorizations for construction of facilities on its own behalf;



# Attachment P, Appendix 2, §3.2.3.2(b)

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **General Conditions Applicable to Option:**

**Redline:** (b) The Interconnection Customer must obtain all necessary land rights for the construction and installation of the Transmission Owner Interconnection Facilities and/or any ~~Merchant~~-Network Upgrades that it is building, provided, however, that upon Interconnection Customer's reasonable request, the Interconnected Transmission Owner shall assist the Interconnection Customer in acquiring such land rights with efforts similar in nature and extent to those that the Interconnected Transmission Owner typically undertakes in acquiring land rights for construction of facilities on its own behalf;



# Attachment P, Appendix 2, §3.2.3.2(c)

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **General Conditions Applicable to Option:**

**Redline:** (c) Notwithstanding anything stated herein, each Interconnected Transmission Owner shall have the exclusive right and obligation to perform the line attachments (tie-in work), and to calibrate remote terminal units and relay settings, required for the interconnection to such Interconnected Transmission Owner's existing facilities of any Transmission Owner Interconnection Facilities and/or any ~~Merchant~~-Network Upgrades that the Interconnection Customer builds; and



# Attachment P, Appendix 2, §3.2.3.2(d)

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **General Conditions Applicable to Option:**

**Redline:** [insert carriage return](d) The Transmission Owner Interconnection Facilities and/or any ~~Merchant~~ Network Upgrades built by the Interconnection Customer shall be successfully inspected, tested and energized pursuant to Sections 3.8 and 3.9 of this Appendix 2.



# Attachment P, Appendix 2, §3.2.3.3(ii)

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Additional Conditions Regarding Network Facilities:**

**Redline:** (ii) The Interconnected Transmission Owner shall have full site control of, and reasonable access to, its property at all times for purposes of tagging or operation, maintenance, repair or construction of modifications to, its existing facilities and/or for performing all tie-ins of Interconnection Facilities and/or ~~Merchant~~-Network Upgrades built by or for the Interconnection Customer; and for acceptance testing of any equipment that will be owned and/or operated by the Interconnected Transmission Owner;



# Attachment P, Appendix 2, §3.2.3.3(iii)

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Additional Conditions Regarding Network Facilities:**

**Redline:** (iii) The Interconnected Transmission Owner shall have the right to have a reasonable number of appropriate representatives present for all work done on its property/facilities or regarding the Transmission Owner Interconnection Facilities and/or ~~Merchant~~-Network Upgrades, and the right to stop, or to order corrective measures with respect to, any such work that reasonably could be expected to have an adverse effect on reliability, safety or security of persons or of property of the Interconnected Transmission Owner or any portion of the Transmission System, provided that, unless circumstances do not reasonably permit such consultations, the Interconnected Transmission Owner shall consult with the Interconnection Customer and with Transmission Provider before directing that work be stopped or ordering any corrective measures;



# Attachment P, Appendix 2, §3.2.3.7(a)

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Option Procedures:**

**Redline:** (a) Within 10 days after notifying Transmission Provider and the Interconnected Transmission Owner of its election to exercise the Option to Build, Interconnection Customer shall solicit bids from one or more Approved Contractors named on the Interconnected Transmission Owner's List of Approved Contractors to procure equipment for, and/or to design, construct and/or install, the Transmission Owner Interconnection Facilities and/or ~~Merchant~~ Network Upgrades that the Interconnection Customer seeks to build under the Option to Build on terms (i) that will meet the Interconnection Customer's proposed schedule; (ii) that, if the Interconnection Customer seeks to have an Approved Contractor construct or install Transmission Owner Interconnection Facilities and/or ~~Merchant~~ Network Upgrades, will satisfy all of the conditions on construction specified in Sections 3.2.3.2 and 3.2.3.3 of this Appendix 2; and (iii) that will satisfy the obligations of a Constructing Entity (other than those relating to responsibility for the costs of facilities) under this Appendix 2.



# Attachment P, Appendix 2, §3.2.3.9

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Effect of Review:**

**Redline:** Interconnected Transmission Owner's review of Interconnection Customer's initial drawings of the Transmission Owner Interconnection Facilities and/or ~~Merchant~~ Network Upgrades that the Interconnection Customer is building shall not be construed as confirming, endorsing or providing a warranty as to the fitness, safety, durability or reliability of such facilities or the design thereof. At its sole cost and expense, Interconnection Customer shall make such changes to the design of the pertinent Transmission Owner Interconnection Facilities and/or ~~Merchant~~ Network Upgrades as may reasonably be required by Transmission Provider, in consultation with the Interconnected Transmission Owner, to ensure that the Transmission Owner Interconnection Facilities and/or ~~Merchant~~ Network Upgrades that Interconnection Customer is building meet Applicable Standards and conform with the Facilities Study.





# Attachment P, Appendix 2, §3.4

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Suspension:**

**Redline:** The following provision applies to Interconnection Requests which have entered the New Services Queue prior to February 1, 2011:

Interconnection Customer shall have the right, upon written notice to Transmission Provider and Interconnected Transmission Owner, to suspend at any time all work by Interconnected Transmission Owner associated with the construction and installation of the Transmission Owner Interconnection Facilities and/or **Merchant** Network Upgrades required under an Interconnection Service Agreement or Interconnection Construction Service Agreement, with the condition that, notwithstanding such suspension, the Transmission System shall be left in a safe and reliable condition in accordance with Good Utility Practice and Transmission Provider's safety and reliability criteria. ...



# Attachment P, Appendix 2, §3.4

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Suspension:**

**Redline:** The following provision applies to Interconnection Requests which have entered the New Services Queue on or after February 1, 2011:

Interconnection Customer shall have the right, upon written notice to Transmission Provider and Interconnected Transmission Owner, to suspend at any time all work by Interconnected Transmission Owner associated with the construction and installation of the Transmission Owner Interconnection Facilities and/or **Merchant** Network Upgrades required under an Interconnection Service Agreement or Interconnection Construction Service Agreement, with the condition that, notwithstanding such suspension, the Transmission System shall be left in a safe and reliable condition in accordance with Good Utility Practice and Transmission Provider's safety and reliability criteria. ...



# Attachment P, Appendix 2, §3.5

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Right to Complete Transmission Owner Interconnection Facilities:**

**Redline:** In the event that, at any time prior to successful Stage Two energization of the Transmission Owner Interconnection Facilities and/or ~~Merchant~~ Network Upgrades pursuant to Section 3.9 of Appendix 2, the Interconnection Customer terminates its obligations under this Appendix 2 pursuant to Section 14.1.2 below due to a Default by the Interconnected Transmission Owner, the Interconnection Customer may elect to complete the design, procurement, construction and installation of the Transmission Owner Interconnection Facilities and/or ~~Merchant~~ Network Upgrades. The Interconnection Customer shall notify the Interconnected Transmission Owner and Transmission Provider in writing of its election to complete the Transmission Owner Interconnection Facilities and/or ~~Merchant~~ Network Upgrades within 10 days after the date of Interconnection Customer's notice of termination pursuant to Section 14.1.2 of this Appendix 2. In the event that the Interconnection Customer elects to complete the Transmission Owner Interconnection Facilities and/or ~~Merchant~~ Network Upgrades, it shall do so in accordance with the terms and conditions of the Option to Build under Section 3.2.3 of this Appendix 2 and shall be responsible for paying all costs of completing the Transmission Owner Interconnection Facilities and/or ~~Merchant~~ Network Upgrades incurred after the date of its notice of election to complete the facilities. Interconnection Customer may take possession of, and may use in completing the Transmission Owner Interconnection Facilities and/or ~~Merchant~~ Network Upgrades, any materials and supplies and equipment (other than equipment and facilities that already have been installed or constructed) acquired by the Interconnected Transmission Owner for construction, and included in the Costs, of the Transmission Owner Interconnection Facilities and/or ~~Merchant~~ Network Upgrades, provided that Interconnection Customer shall pay Transmission Provider, for the benefit of the Interconnected Transmission Owner and upon presentation by Interconnected Transmission Owner of reasonable and appropriate documentation thereof, any amounts expended by the Interconnected Transmission Owner for such materials, supplies and equipment that Interconnection Customer has not already paid. Title to all Transmission Owner Interconnection Facilities and/or ~~Merchant~~ Network Upgrades constructed by Interconnection Customer under this Section 3.5 shall be transferred to the Interconnected Transmission Owner in accordance with Section 5.5 of this Appendix 2.



# Attachment P, Appendix 2, §3.6

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Suspension of Work Upon Default:**

**Redline:** Upon the occurrence of a Default by Interconnection Customer as defined in Section 13 of this Appendix 2, the Transmission Provider or the Interconnected Transmission Owner may by written notice to Interconnection Customer suspend further work associated with the construction and installation of the Transmission Owner Interconnection Facilities and/or ~~Merchant~~-Network Upgrades that the Interconnected Transmission Owner is responsible for constructing. Such suspension shall not constitute a waiver of any termination rights under this Interconnection Construction Service Agreement. In the event of a suspension by Transmission Provider or Interconnected Transmission Owner, the Interconnection Customer shall be responsible for the Costs incurred in connection with any suspension hereunder in accordance with Section 14.3 of this Appendix 2.



# Attachment P, Appendix 2, §3.7

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Construction Reports:**

**Redline:** Each Constructing Entity shall issue reports to each other Construction Party on a monthly basis, and at such other times as reasonably requested, regarding the status of the construction and installation of the Interconnection Facilities and/or any ~~Merchant~~-Network Upgrades. Each Construction Party shall promptly identify, and shall notify each other Construction Party of, any event that the Construction Party reasonably expects may delay completion, or may significantly increase the cost, of the Interconnection Facilities and/or of any ~~Merchant~~-Network Upgrades. Should a Construction Party report such an event, Transmission Provider shall, within fifteen days of such notification, convene a technical meeting of the Construction Parties to evaluate schedule alternatives.



# Attachment P, Appendix 2, §3.8.2

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Inspection and Testing:**

**Redline:** Each Constructing Entity shall cause inspection and testing of the Interconnection Facilities and/or any ~~Merchant~~–Network Upgrades that it constructs in accordance with the provisions of this section. The Construction Parties acknowledge and agree that inspection and testing of facilities may be undertaken as facilities are completed and need not await completion of all of the facilities that a Constructing Entity is building.



# Attachment P, Appendix 2, §3.8.2.1

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Of Interconnection Customer-Built Facilities:**

**Redline:** Upon the completion of the construction and installation, but prior to energization, of any Interconnection Facilities and/or ~~Merchant~~–Network Upgrades constructed by the Interconnection Customer and related portions of the Customer Facility, the Interconnection Customer shall have the same inspected and/or tested by an authorized electric inspection agency or qualified third party reasonably acceptable to the Interconnected Transmission Owner to assess whether the facilities substantially comply with Applicable Standards. Said inspection and testing shall be held on a mutually agreed-upon date, and the Interconnected Transmission Owner and Transmission Provider shall have the right to attend and observe, and to obtain the written results of, such testing.



## Attachment P, Appendix 2, §3.8.2.2

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Of Interconnected Transmission Owner-Built Facilities:**

**Redline:** Upon the completion of the construction and installation, but prior to energization, of any Interconnection Facilities and/or ~~Merchant~~–Network Upgrades constructed by the Interconnected Transmission Owner, the Interconnected Transmission Owner shall have the same inspected and/or tested by qualified personnel or a qualified contractor to assess whether the facilities substantially comply with Applicable Standards. Subject to Applicable Laws and Regulations, said inspection and testing shall be held on a mutually agreed-upon date, and the Interconnection Customer and Transmission Provider shall have the right to attend and observe, and to obtain the written results of, such testing.





## Attachment P, Appendix 2, §3.8.2.2

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Of Interconnected Transmission Owner-Built Facilities:**

**Redline:** Upon the completion of the construction and installation, but prior to energization, of any Interconnection Facilities and/or ~~Merchant~~–Network Upgrades constructed by the Interconnected Transmission Owner, the Interconnected Transmission Owner shall have the same inspected and/or tested by qualified personnel or a qualified contractor to assess whether the facilities substantially comply with Applicable Standards. Subject to Applicable Laws and Regulations, said inspection and testing shall be held on a mutually agreed-upon date, and the Interconnection Customer and Transmission Provider shall have the right to attend and observe, and to obtain the written results of, such testing.



# Attachment P, Appendix 2, §3.8.3

- Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.
- Title:** **Review of Inspection and Testing by Interconnected Transmission Owner:**
- Redline:** In the event that the written report, or the observation of either Constructing Entity or Transmission Provider, of the inspection and/or testing pursuant to Section 3.8.2 of this Appendix 2 reasonably leads the Transmission Provider or Interconnected Transmission Owner to believe that the inspection and/or testing of some or all of the Interconnection Facilities and/or ~~Merchant~~-Network Upgrades built by the Interconnection Customer was inadequate or otherwise deficient, the Interconnected Transmission Owner may, within 20 days after its receipt of the results of inspection or testing and upon reasonable notice to the Interconnection Customer, perform its own inspection and/or testing of such Interconnection Facilities and/or ~~Merchant~~-Network Upgrades to determine whether the facilities are acceptable for energization, which determination shall not be unreasonably delayed, withheld or conditioned.



# Attachment P, Appendix 2, §3.8.4.1

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Notification and Correction of Defects**

**Redline:** If the Interconnected Transmission Owner, based on inspection or testing pursuant to Section 3.8.2 or 3.8.3 of this Appendix 2, identifies any defects or failures to comply with Applicable Standards in the Interconnection Facilities and/or ~~Merchant~~ Network Upgrades constructed by the Interconnection Customer, the Interconnected Transmission Owner shall notify the Interconnection Customer and Transmission Provider of any identified defects or failures within 20 days after the Interconnected Transmission Owner's receipt of the results of such inspection or testing. The Interconnection Customer shall take appropriate actions to correct any such defects or failure at its sole cost and expense, and shall obtain the Interconnected Transmission Owner's acceptance of the corrections, which acceptance shall not be unreasonably delayed, withheld or conditioned.



# Attachment P, Appendix 2, §3.8.4.2

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Notification and Correction of Defects**

**Redline:** In the event that inspection and/or testing of any Transmission Owner Interconnection Facilities and/or ~~Merchant~~-Network Upgrades built by the Interconnected Transmission Owner identifies any defects or failures to comply with Applicable Standards in such facilities, Interconnected Transmission Owner shall take appropriate action to correct any such defects or failures within 20 days after it learns thereof. In the event that such a defect or failure cannot reasonably be corrected within such 20-day period, Interconnected Transmission Owner shall commence the necessary correction within that time and shall thereafter diligently pursue it to completion



# Attachment P, Appendix 2, §3.8.5

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Notification of Results:**

**Redline:** Within 10 days after satisfactory inspection and/or testing of Interconnection Facilities and/or ~~Merchant~~-Network Upgrades built by the Interconnection Customer (including, if applicable, inspection and/or testing after correction of defects or failures), the Interconnected Transmission Owner shall confirm in writing to the Interconnection Customer and Transmission Provider that the successfully inspected and tested facilities are acceptable for energization.



# Attachment P, Appendix 2, §3.9(A)

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Energization of Completed Facilities**

**Redline:** Unless otherwise provided in the Schedule of Work, energization of the Interconnection Facilities related to interconnection of a Generation Interconnection Customer and, when applicable as determined by Transmission Provider, of the Interconnection Facilities and/or ~~Merchant~~-Network Upgrades related to interconnection of a Transmission Interconnection Customer, shall occur in two stages. Stage One energization shall consist of energization of the Customer Interconnection Facilities and of the Transmission Owner Attachment Facilities and will occur prior to initial energization of the Customer Facility. Stage Two energization shall consist of (1) initial synchronization to the Transmission System of any completed generator(s) at the Customer Facility of a Generation Interconnection Customer, or of applicable facilities, as determined by the Transmission Provider, associated with ~~Merchant~~ Transmission Facilities of a Transmission Interconnection Customer, and (2) energization of the remainder of the Transmission Owner Interconnection Facilities and/or of any ~~Merchant~~-Network Upgrades. Stage Two energization shall be completed prior to Initial Operation of the Customer Facility.



# Attachment P, Appendix 2, §3.9.1

- Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.
- Title:** **Energization of Completed Facilities**
- Redline:** Stage One energization of the Interconnection Facilities and/or, as applicable, ~~Merchant~~-Network Upgrades may not occur prior to the satisfaction of the following additional conditions: ...



# Attachment P, Appendix 2, §3.9.3

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Energization of Completed Facilities**

**Redline:** Stage Two energization of the Interconnection Facilities and/or, as applicable, ~~Merchant~~ Network Upgrades may not occur prior to the satisfaction of the following additional conditions:

(a) The Interconnection Customer shall have delivered to the Interconnected Transmission Owner and Transmission Provider a writing transferring to the Interconnected Transmission Owner and Transmission Provider operational control over any Transmission Owner Interconnection Facilities and/or ~~Merchant~~-Network Upgrades that Interconnection Customer has constructed and operational control of which it has not previously transferred pursuant to Section 3.9.1 of this Appendix 2; and

(b) The Interconnection Customer shall have provided a mark-up of construction drawings to the Interconnected Transmission Owner to show the “as-built” condition of all Transmission Owner Interconnection Facilities and/or ~~Merchant~~-Network Upgrades that Interconnection Customer has constructed and which were not included in the Stage One energization, but are included in the Stage Two energization. ...





# Attachment P, Appendix 2, §3.9.5

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Energization of Completed Facilities**

**Redline:** To the extent defects in any Interconnection Facilities are identified during the energization process, the energization will not be deemed successful. In that event, the Constructing Entity shall take action to correct such defects in any Interconnection Facilities and/or ~~Merchant~~ Network Upgrades that it built as promptly as practical after the defects are identified. The affected Constructing Entity shall so notify the other Construction Parties when it has corrected any such defects, and the Constructing Entities shall recommence efforts, within 10 days thereafter, to energize the appropriate Interconnection Facilities and/or ~~Merchant~~ Network Upgrades in accordance with Section 3.9; provided that the Interconnected Transmission Owner may, in the reasonable exercise of its discretion and with the approval of Transmission Provider, require that further inspection and testing be performed in accordance with Section 3.8 of this Appendix 2.



# Attachment P, Appendix 2, §3.10

- Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.
- Title:** **Interconnected Transmission Owner's Acceptance of Facilities Constructed by Interconnection Customer:**
- Redline:** Within five days after determining that Interconnection Facilities and/or ~~Merchant~~ Network Upgrades have been successfully energized, the Interconnected Transmission Owner shall issue a written notice to the Interconnection Customer accepting the Interconnection Facilities and/or ~~Merchant~~ Network Upgrades built by the Interconnection Customer that were successfully energized. Such acceptance shall not be construed as confirming, endorsing or providing a warranty by the Interconnected Transmission Owner as to the design, installation, construction, fitness, safety, durability or reliability of any Interconnection Facilities and/or ~~Merchant~~ Network Upgrades built by the Interconnection Customer, or their compliance with Applicable Standards.



# Attachment P, Appendix 2, §5.5

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Transfer of Title to Certain Facilities Constructed By Interconnection Customer:**

**Redline:** Within thirty (30) days after the Interconnection Customer's receipt of notice of acceptance under Section 3.10 of this Appendix 2 following Stage Two energization of the Interconnection Facilities, the Interconnection Customer shall deliver to the Interconnected Transmission Owner, for the Interconnected Transmission Owner's review and approval, all of the documents and filings necessary to transfer to the Interconnected Transmission Owner title to any Transmission Owner Interconnection Facilities and/or ~~Merchant~~ Network Upgrades constructed by the Interconnection Customer, and to convey to the Interconnected Transmission Owner any easements and other land rights to be granted by Interconnection Customer in accordance with Section 5.1 above that have not then already been conveyed. The Interconnected Transmission Owner shall review and approve such documentation, such approval not to be unreasonably withheld, delayed, or conditioned. Within 30 days after its receipt of the Interconnected Transmission Owner's written notice of approval of the documentation, the Interconnection Customer, in coordination and consultation with the Interconnected Transmission Owner, shall make any necessary filings at the FERC or other governmental agencies for regulatory approval of the transfer of title. Within twenty (20) days after the issuance of the last order granting a necessary regulatory approval becomes final (i.e., is no longer subject to rehearing), the Interconnection Customer shall execute all necessary documentation and shall make all necessary filings to record and perfect the Interconnected Transmission Owner's title in such facilities and in the easements and other land rights to be conveyed to the Interconnected Transmission Owner. Prior to such transfer to the Interconnected Transmission Owner of title to the Transmission Owner Interconnection Facilities built by the Interconnection Customer, the risk of loss or damages to, or in connection with, such facilities shall remain with the Interconnection Customer. Transfer of title to facilities under this section shall not affect the Interconnection Customer's receipt or use of the interconnection rights related to Network Upgrades, Local Upgrades and/or ~~Merchant~~ Network Upgrades for which it otherwise may be eligible as provided in Subpart C of Part VI of the Tariff.



# Attachment P, Appendix 2, §6.1

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Interconnection Customer Warranty:**

**Redline:** The Interconnection Customer shall warrant that its work (or the work of any subcontractor that it retains) in constructing and installing the Transmission Owner Interconnection Facilities and/or ~~Merchant~~-Network Upgrades that it builds is free from defects in workmanship and design and shall conform to the requirements of this Interconnection Construction Service Agreement for one (1) year (the “Interconnection Customer Warranty Period”) commencing upon the date title is transferred to Interconnected Transmission Owner in accordance with Section 5.5 of this Appendix 2. ...



# Attachment P, Appendix 2, §6.2

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Manufacturer Warranties:**

**Redline:** Prior to the transfer to the Interconnected Transmission Owner of title to the Transmission Owner Interconnection Facilities built by the Interconnection Customer, the Interconnection Customer shall produce documentation satisfactory to the Interconnected Transmission Owner evidencing the transfer to the Interconnected Transmission Owner of all manufacturer warranties for equipment and/or materials purchased by the Interconnection Customer for use and/or installation as part of the Transmission Owner Interconnection Facilities and/or ~~Merchant~~-Network Upgrades built by the Interconnection Customer.



# Attachment P, Appendix 2, §9.2

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Invoice:**

**Redline:** The Interconnected Transmission Owner shall provide Transmission Provider a quarterly statement of the Interconnected Transmission Owner's scheduled expenditures during the next three months for, as applicable, (a) the design, engineering and construction of, and/or for other charges related to, construction of the Interconnection Facilities and/or ~~Merchant~~ Network Upgrades for which the Interconnected Transmission Owner is responsible under this Interconnection Construction Service Agreement, or (b) in the event that the Interconnection Customer exercises the Option to Build pursuant to Section 3.2.3.1 of this Appendix 2, for the Interconnected Transmission Owner's Costs associated with the Interconnection Customer's building Attachment Facilities, Local Upgrades and Network Upgrades (including both Direct Connection Network Upgrades, Direct Connection Local Upgrades, Non-Direct Connection Network Upgrades and Non-Direct Connection Local Upgrades), including but not limited to Costs for tie-in work and Cancellation Costs. ...



# Attachment P, Appendix 2, §9.3

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Final Invoice:**

**Redline:** Within 120 days after the Interconnected Transmission Owner completes construction and installation of the Interconnection Facilities and/or ~~Merchant~~-Network Upgrades for which the Interconnected Transmission Owner is responsible under this Interconnection Construction Service Agreement, Transmission Provider shall provide Interconnection Customer with an accounting of, and the appropriate Construction Party shall make any payment to the other that is necessary to resolve, any difference between (a) Interconnection Customer's responsibility under the Tariff for the actual Cost of such facilities, and (b) Interconnection Customer's previous aggregate payments to Transmission Provider for the Costs of such facilities. Notwithstanding the foregoing, however, Transmission Provider shall not be obligated to make any payment to either the Interconnection Customer or the Interconnected Transmission Owner that the preceding sentence requires it to make unless and until the Transmission Provider has received the payment that it is required to refund from the Construction Party owing the payment.



# Attachment P, Appendix 2, §14.1.1

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Upon Completion of Construction:**

**Redline:** This Interconnection Construction Service Agreement shall terminate upon the later of the following: (i) completion of construction of all Interconnection Facilities and/or ~~Merchant~~-Network Upgrades; (ii) transfer of title under Section 5 of this Appendix 2; (iii) final payment of all Costs due and owing under this Interconnection Construction Service Agreement; and (iv) the delivery to the Interconnected Transmission Owner of final “as-built” drawings of any Interconnection Facilities and/or ~~Merchant~~-Network Upgrades built by the Interconnection Customer.





# Attachment P, Appendix 2, §14.3.1.2

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **Disposition of Facilities Upon Cancellation:**

**Redline:** Upon cancellation of the Interconnection Construction Service Agreement by an Interconnection Customer, Transmission Provider, after consulting with the Interconnected Transmission Owner, may, at the sole cost and expense of the Interconnection Customer, authorize the Interconnected Transmission Owner to (a) cancel supplier and contractor orders and agreements entered into by the Interconnected Transmission Owner to design, construct, install, operate, maintain and own the Transmission Owner Interconnection Facilities and/or ~~Merchant~~-Network Upgrades, provided, however, that Interconnection Customer shall have the right to choose to take delivery of any equipment ordered by the Interconnected Transmission Owner for which Transmission Provider otherwise would authorize cancellation of the purchase order; or (b) remove any Transmission Owner Interconnection Facilities and/or ~~Merchant~~-Network Upgrades built by the Interconnected Transmission Owner or any Transmission Owner Interconnection Facilities (only after title to the subject facilities has been transferred to the Interconnected Transmission Owner) and/or ~~Merchant~~-Network Upgrades built by the Interconnection Customer; or (c) partially or entirely complete the Transmission Owner Interconnection Facilities and/or ~~Merchant~~-Network Upgrades as necessary to preserve the integrity or reliability of the Transmission System, provided that Interconnection Customer shall be entitled to receive any rights associated with such facilities and upgrades as determined in accordance with Part VI of the Tariff; or (d) undo any of the changes to the Transmission System that were made pursuant to this Interconnection Construction Service Agreement. To the extent that the Interconnection Customer has fully paid for equipment that is unused upon cancellation or which is removed pursuant to subsection (b) above, the Interconnection Customer shall have the right to take back title to such equipment; alternatively, in the event that the Interconnection Customer does not wish to take back title, the Interconnected Transmission Owner may elect to pay the Interconnection Customer a mutually agreed amount to acquire and own such equipment.



# Attachment P, Schedule E

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **MERCHANT NETWORK UPGRADES TO BE BUILT BY INTERCONNECTED TRANSMISSION OWNER**

**Redline:** ~~MERCHANT NETWORK UPGRADES TO BE BUILT BY INTERCONNECTED TRANSMISSION OWNER~~[Reserved.]



# Attachment P, Schedule F

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **MERCHANT NETWORK UPGRADES TO BE BUILT BY INTERCONNECTION CUSTOMER PURSUANT TO OPTION TO BUILD**

**Redline:** ~~**MERCHANT NETWORK UPGRADES TO BE BUILT BY INTERCONNECTION CUSTOMER PURSUANT TO OPTION TO BUILD**~~  
**[Reserved.]**



# Attachment P, Schedule L

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **INTERCONNECTION CUSTOMER’S AGREEMENT TO CONFORM WITH IRS SAFE HARBOR PROVISIONS FOR NON-TAXABLE STATUS**

**Redline:** As provided in Section 2.4.1 of Appendix 2 to this CSA and subject to the requirements thereof, Interconnection Customer represents that it meets all qualifications and requirements as set forth in Section 118(a) and 118(b) of the Internal Revenue Code of 1986, as amended and interpreted by Notice 88-129, 1988-2 C.B. 541, and as amplified and modified in Notices 90-60, 1990-2 C.B. 345, and 2001-82, 2001-2 C.B. 619 (the “IRS Notices”). Interconnection Customer agrees to conform with all requirements of the safe harbor provisions specified in the IRS Notices, as they may be amended, as required to confer non-taxable status on some or all of the transfer of property, including money, by Interconnection Customer to Interconnected Transmission Owner with respect to the payment of the Costs of construction and installation of the Transmission Owner Interconnection Facilities and/or ~~Merchant~~ Network Upgrades specified in this CSA.

**Issue:** The existing ICSA language references a Merchant Network Upgrade, which can only be performed under an UCSA.

**Title:** **SCHEDULES:**

**Redline:**

- . SCHEDULE A - SITE PLAN
- . SCHEDULE B - SINGLE-LINE DIAGRAM OF INTERCONNECTION FACILITIES
- . SCHEDULE C - TRANSMISSION OWNER INTERCONNECTION FACILITIES TO BE BUILT BY INTERCONNECTED TRANSMISSION OWNER
- . SCHEDULE D - TRANSMISSION OWNER INTERCONNECTION FACILITIES TO BE BUILT BY INTERCONNECTION CUSTOMER PURSUANT TO OPTION TO BUILD
- . SCHEDULE E - ~~MERCHANT NETWORK UPGRADES TO BE BUILT BY INTERCONNECTED TRANSMISSION OWNER~~ [Reserved.]
- . SCHEDULE F - ~~MERCHANT NETWORK UPGRADES TO BE BUILT BY INTERCONNECTION CUSTOMER PURSUANT TO OPTION TO BUILD~~ [Reserved.]
- . SCHEDULE G - CUSTOMER INTERCONNECTION FACILITIES
- . SCHEDULE H - NEGOTIATED CONTRACT OPTION TERMS
- . SCHEDULE I - SCOPE OF WORK
- . SCHEDULE J - SCHEDULE OF WORK
- . SCHEDULE K - APPLICABLE TECHNICAL REQUIREMENTS AND STANDARDS
- . SCHEDULE L - INTERCONNECTION CUSTOMER'S AGREEMENT TO CONFORM WITH IRS SAFE HARBOR PROVISIONS FOR NON-TAXABLE STATUS
- . SCHEDULE M - SCHEDULE OF NON-STANDARD TERMS AND CONDITIONS
- . SCHEDULE N - INTERCONNECTION REQUIREMENTS FOR A WIND GENERATION FACILITY

# Re-Writes & Clarifications

**Issue:** Language on infrastructure security needs to be updated to its current state.

**Title:** **Interconnection Service Agreement:**

**Redline:** ~~Infrastructure security of electric system equipment and operations and control hardware and software is essential to ensure day-to-day reliability and operational security. All Transmission Providers, Interconnected Transmission Owners, market participants, and Interconnection Customers interconnected with electric systems are to comply with the recommendations offered by the President's Critical Infrastructure Protection Board and best practice recommendations from the electric reliability authority. All public utilities are expected to meet basic standards for electric system infrastructure and operational security, including physical, operational, and cyber-security practices.~~ All Interconnection parties agree to comply with all infrastructure security requirements of the North American Electric Reliability Corporation.

**Issue:** This change clarifies when the SIS Agreement must be received by PJM. Current language could be implied that it could be shipped on the final date. Clean-up provides clarity to PJM's practice.

**Title:** **Tender of System Impact Study Agreement, Completed Applications:**

**Redline:** For a Completed Application to retain its Queue Position, the Eligible Customer (i) shall execute the System Impact Study Agreement and **it must be received by** ~~return it to~~ the Transmission Provider within thirty (30) days, and (ii) shall pay the Transmission Provider a \$50,000 deposit which will be applied to the Interconnection Customer's study cost responsibility.



**Issue:** This change clarifies when the SIS Agreement must be received by PJM. Current language could be implied that it could be shipped on the final date. Clean-up provides clarity to PJM's practice.

**Title:** **Tender of System Impact Study Agreement, Upgrade Requests:**

**Redline:** For an Upgrade Request to retain its Queue Position, the Upgrade Customer (i) shall execute the System Impact Study Agreement and **it must be received by** ~~return it to~~ the Transmission Provider within thirty (30) days...

**Issue:** This change clarifies when the SIS Agreement must be received by PJM. Current language could be implied that it could be shipped on the final date. Clean-up provides clarity to PJM's practice.

**Title:** **Tender of System Impact Study Agreement, Interconnection Requests:**

**Redline:** For an Interconnection Request to retain its assigned Queue Position pursuant to Section 201, within 30 days of receiving the tendered System Impact Study Agreement, the Interconnection Customer (i) shall execute the System Impact Study Agreement and **it must be received by** ~~return it to~~ the Transmission Provider,...

**Issue:** This change clarifies when the SIS Agreement must be received by PJM. Current language could be implied that it could be shipped on the final date. Clean-up provides clarity to PJM's practice.

**Title:** **Permanent Capacity Resource Additions Of 20 MW Or Less, Feasibility Study**

**Redline:** In order to remain in the New Services Queue, the Interconnection Customer shall execute the System Impact Study Agreement and it must be received by the Transmission Provider within thirty (30) days ~~must return the executed System Impact Study Agreement within 30 days~~, along with documents demonstrating that an initial air permit application has been filed, if required, and the deposit contained in Section 204.3A of the Tariff.

**Issue:** This change clarifies when the Facilities Study Agreement must be received by PJM. Current language could be implied that it could be shipped on the final date. Clean-up provides clarity to PJM's practice.

**Title:** **Permanent Capacity Resource Additions Of 20 MW Or Less, System Impact Study**

**Redline:** In order to remain in the New Services Queue, the Interconnection Customer shall execute the ~~must return the executed~~ Facilities Study Agreement and it must be received by the Transmission Provider within thirty (30) days ~~within 30 days~~, along with a deposit in the amount of the estimated cost of the Facilities Study.

- Issue:** This change clarifies when the SIS Agreement must be received by PJM. Current language could be implied that it could be shipped on the final date. Clean-up provides clarity to PJM's practice.
- Title:** **Permanent Energy Resource Additions Of 20 MW Or Less But Greater Than 2MW, Feasibility Study**
- Redline:** In order to remain in the New Services Queue, the Interconnection Customer shall execute the System Impact Study Agreement and it must be received by the Transmission Provider within thirty (30) days ~~must return the executed System Impact Study Agreement within 30 days~~, along with documents demonstrating that an initial air permit application has been filed, if required, and the deposit contained in Section 204.3A of the Tariff.

- Issue:** This change clarifies when the Facilities Study Agreement must be received by PJM. Current language could be implied that it could be shipped on the final date. Clean-up provides clarity to PJM's practice.
- Title:** **Permanent Energy Resource Additions Of 20 MW Or Less But Greater Than 2MW, System Impact Study**
- Redline:** In order to remain in the New Services Queue, the Interconnection Customer shall execute the ~~must return the executed~~ Facilities Study Agreement and it must be received by the Transmission Provider within thirty (30) days ~~within 30 days~~, along with a deposit in the amount of the estimated cost of the Facilities Study.

**Issue:** This change clarifies when the Facilities Study Agreement must be received by PJM. Current language could be implied that it could be shipped on the final date. Clean-up provides clarity to PJM's practice and improves continuity.

**Title:** **Facilities Study, Retaining Queue Position:**

**Redline:** For a New Service Request to retain its assigned Queue Position pursuant to Section 201, within 30 days of **issuing the System Impact Study, the Transmission Provider must be in receipt of** ~~New Service Customer must, receipt of the Facilities Study Agreement~~ (i) ~~remit to Transmission Provide~~ all past due amounts of the actual System Impact Study costs exceeding the System Impact Study deposits contained in Section 204.3A, if any, **and** (ii) ~~the executed and return the~~ Facilities Study Agreement ~~to the Transmission Provider and~~, (iii) **the deposit required under this Section 206**. If a participating New Service Customer fails to remit past due amounts, execute the Facilities Study Agreement or to pay the deposit required under this Section 206, its New Service Request shall be deemed terminated and withdrawn.

**Issue:** This change clarifies when an ISA must be received by PJM. Current language could be implied that it could be shipped on the final date. Clean-up provides clarity to PJM's practice.

**Title:** **Interconnection Service Agreement, Retaining Priority and Security:**

**Redline:** To retain the assigned Queue Position of its Interconnection Request pursuant to Section 201, within sixty (60) days after receipt of the Facilities Study (or, if no Facilities Study was required, after receipt of the System Impact Study), the Interconnection Customer must **have executed and return** the tendered Interconnection Service Agreement **and it must be in the possession of** ~~to~~ the Transmission Provider or, alternatively, request (i) dispute resolution under Section 12 of the Tariff or, if concerning the Regional Transmission Expansion Plan, consistent with Schedule 5 of the Operating Agreement, or (ii) that the Interconnection Service Agreement be filed unexecuted with the Commission.



- Issue:** This change clarifies when an ICSA must be received by PJM. Current language could be implied that it could be shipped on the final date. Clean-up provides clarity to PJM's practice.
- Title:** **Interconnection Construction Service Agreement and Commencement of Construction:**
- Redline:** Within ninety (90) calendar days of receipt thereof, unless otherwise specified in the project specific milestones of the Interconnection Service Agreement, Interconnection Customer **either** shall ~~either~~**have** executed ~~and return~~ the **tendered** Interconnection Construction Service Agreement **and it must be in possession of** ~~to~~ the Transmission Provider, or, alternatively, shall request dispute resolution under Section 12 of the Tariff or, if concerning the Regional Transmission Expansion Plan, consistent with Schedule 5 of the Operating Agreement, or that the Interconnection Construction Service Agreement be filed unexecuted with the Commission.

**Issue:** This change clarifies when an ICSA must be received by PJM. Current language could be implied that it could be shipped on the final date. Clean-up provides clarity to PJM's practice.

**Title:** **Upgrade Construction Service Agreement, Retaining Priority:**

**Redline:** To retain the assigned Queue Position of its New Service Request pursuant to Section 201, within sixty (60) days after receipt of the Facilities Study (or, if no Facilities Study was required, after receipt of the System Impact Study), the New Service Customer ~~either must shall have~~\_executed ~~and return~~ the tendered Upgrade Construction Service Agreement ~~and it must be in possession of to~~ the Transmission Provider or, alternatively, request (i) dispute resolution under Section 12 of the Tariff or, if concerning the Regional Transmission Expansion Plan, consistent with Schedule 5 of the Operating Agreement, or (ii) that the Upgrade Construction Service Agreement be filed unexecuted with the Commission.



# Attachment 0, Schedule D

- Issue:** Reminder language for PJM project managers to insert proper language. Bracketed language would be removed prior to issuing agreement.
- Title:** **APPLICABLE TECHNICAL REQUIREMENTS AND STANDARDS**
- Redline:** {Reference the appropriate PJM and TO technical standards.}



# Attachment P, Schedule K

- Issue:** Reminder language for PJM project managers to insert proper language. Bracketed language would be removed prior to issuing agreement.
- Title:** **APPLICABLE TECHNICAL REQUIREMENTS AND STANDARDS**
- Redline:** {Reference the appropriate PJM and TO technical standards.}



# Attachment 0, Specifications §4.7

**Issue:** Addresses Tariff requirement three-month project work cost and Security cannot exceed 125%. Also addresses issues resulting from Interim ISA's that collected Security.

**Title: ISA, Security Amount Breakdown:**

**Redline:** \$\_\_ Estimated Cost of Non-Direct Connection Local Upgrades and/or Non-Direct Connection Network Upgrades  
plus \$\_\_ Estimated Cost of any Merchant Network Upgrades that Interconnected Transmission Owner is responsible for building  
plus \$\_\_ Estimated cost of the work (for the first three months) on the required Attachment Facilities, Direct Connection Local Upgrades, and Direct Connection Network Upgrades  
plus \$\_\_ Option to Build Security for Attachment Facilities, Direct Connection Local Upgrades, and Direct Connection Network Upgrades (including Cancellation Costs)

**{Use if Interconnected Transmission Owner work will be completed in first quarter:**

\_\_\$ Costs included for three-month work completion estimate Security  
x 0.25}  
\_\_\$ Total Security required by ISA (this value should be in Section 5.0 of this ISA)  
less \$\_\_ Costs already paid by Interconnection Customer  
\_\_\$ Total Security **{if the resultant is negative, use: reduction with this ISA; if the resultant is zero or positive use: required with this ISA}**

**Issue:** The language that was used in the UCSA could be interpreted that a customer gets three years per suspension request, which was not intended.

**Title:** **UCSA, Suspension:**

**Redline:** This suspension right permits the New Service Customer to request one or more suspensions of work for a cumulative period of up to three years ~~for each request.~~

This suspension right permits the New Service Customer to request one or more suspensions of work for a cumulative period of up to (i) three years ~~for a request for which~~ if the Transmission Provider determines that such suspension would not be deemed a Material Modification, or (ii) one year ~~for a request for which~~ if the Transmission Provider determines that such suspension would be deemed a Material Modification.

**Issue:** The language used in the ICSA did not consider when multiple queue requests get combined under one agreement.

**Title:** **ICSA, Suspension:**

**Redline:** This suspension right permits the Interconnection Customer to request one or more suspensions of work for a cumulative period of up to three years ~~for each Interconnection Request.~~

This suspension right permits the Interconnection Customer to request one or more suspensions of work for a cumulative period of up to (i) three years ~~for an Interconnection Request for which~~ if the Transmission Provider determines that such suspension would not be deemed a Material Modification, or (ii) one year ~~for an Interconnection Request for which~~ if the Transmission Provider determine that such suspension would be deemed a Material Modification.



# Attachment S, §2

- Issue:** The form does not provide means for Merchant Network Upgrade Customer to submit a request.
- Title:** **Form of Transmission Interconnection Feasibility Study Agreement**
- Redline:** Pursuant to Section 36.1 of the PJM Tariff, the Interconnection Customer has submitted an Interconnection Request and has paid the applicable initial deposit and the applicable nonrefundable base deposit to the Transmission Provider, for a proposed interconnection of Merchant Transmission Facilities [or Merchant Network Upgrades](#).





# Attachment S, §3

**Issue:** Insert a section to allow Merchant Network Upgrade Customer to enter either (a) advancements of RTEP projects, or (b) upgrades to existing Transmission Facilities.

**Title:** **Form of Transmission Interconnection Feasibility Study Agreement**

**Redline:** Merchant Network Upgrade projects, which will be funded by the Interconnection Customer but upon completion will be owned, operated and maintained by the Interconnection Transmission Owner, shall complete the following:



# Attachment S, §3.a.

**Issue:** This section allows for a Merchant Network Upgrade Customer to propose an upgrade to existing Transmission Facilities.

**Title:** **Form of Transmission Interconnection Feasibility Study Agreement**

**Redline:** If you are requesting to advance Regional Transmission Expansion Plan baseline, supplemental or network upgrades:

- i. Identify all applicable projects:  
\_\_\_\_\_
- ii. Identify the expected increase in transfer capability in MW: \_\_\_\_\_
- iii. Identify the desired advanced in-service date: \_\_\_\_\_
- iv. If you are also increasing capabilities of existing Transmission Facilities as part of the proposal, then proceed to 3.b; otherwise proceed to section 5.



# Attachment S, §3.b.

**Issue:** This section allows for a Merchant Network Upgrade Customer to propose an upgrade to existing Transmission Facilities.

**Title:** **Form of Transmission Interconnection Feasibility Study Agreement**

**Redline:** If this request proposes to increase the capability of existing Transmission System facilities that are not part of the Regional Transmission Expansion Plan at the time of this request:

- i. Identify the equipment, or conductor being upgraded:  
\_\_\_\_\_
- ii. Identify the increase in transfer capability desired in MW: \_\_\_\_\_
- iii. Identify the desired in-service date: \_\_\_\_\_
- iv. Proceed to section 5 of this agreement.



# Attachment S, §4.f.

**Issue:** This section is for Merchant Transmission Facilities, so the original question is unnecessary.

**Title:** **Form of Transmission Interconnection Feasibility Study Agreement**

**Redline:** f. ~~(1) Are these proposed Merchant Transmission Facilities?~~

~~\_\_\_ Yes \_\_\_ No~~

~~(2) If Yes, w~~ Will the proposed facilities be Merchant A.C. or Merchant D.C. Transmission Facilities or Controllable A.C. Merchant Transmission Facilities?

A.C. \_\_\_\_\_ or D.C. \_\_\_\_\_ or Controllable A.C. \_\_\_\_\_

**Issue:** 4.g is a subset of 4.f if Merchant DC Transmission or Controllable Merchant AC Facilities are proposed. Indent and number using lower case Roman numerals.

**Title:** **Form of Transmission Interconnection Feasibility Study Agreement**

**Redline:** **g**i. If the proposed facilities will be Merchant D.C. Transmission Facilities and/or Controllable A.C. Merchant Transmission Facilities, does Interconnection Customer elect to receive:

EITHER

\_\_\_\_\_ (1) Firm or Non-Firm Transmission Injection Rights (TIR) and/or Firm or Non-Firm Transmission Withdrawal Rights (TWR).

OR

\_\_\_\_\_ (2) Incremental Deliverability Rights, Incremental Auction Revenue Rights and Incremental Available Transfer Capability Revenue Rights.



# Attachment S, §4.h.

**Issue:** 4.h is a subset of 4.f if Controllable Merchant AC Facilities are proposed. Indent and number using lower case Roman numerals. Add affirmation section.

**Title:** **Form of Transmission Interconnection Feasibility Study Agreement**

**Redline:** **hii.** If the proposed facilities will be Controllable A.C. Merchant Transmission Facilities, as defined in Section 1.6B of the Tariff, and provided that Interconnection Customer contractually binds itself in the Interconnection Service Agreement (“ISA”) related to its project always to operate its Controllable A.C. Merchant Transmission Facilities in a manner effectively the same as operation of D.C. transmission facilities, the ISA will provide Interconnection Customer with the same types of transmission rights that are available under the Tariff for Merchant D.C. Transmission Facilities. For purposes of this Feasibility Study Agreement, Interconnection Customer represents that, should it execute an ISA for its project described herein, it will agree in the ISA to operate its facilities continuously in a controllable mode.

Interconnection Customer agrees? Yes \_\_\_\_\_ No \_\_\_\_\_



# Attachment S, §4.i.

**Issue:** 4.i is a subset of 4.f if Merchant AC Facilities are proposed. Indent and number using lower case Roman numerals. Add space to answer.

**Title:** **Form of Transmission Interconnection Feasibility Study Agreement**

**Redline:** **iii.** If the proposed facilities will be Merchant A.C. Transmission Facilities without continuous controllability as described in paragraph 4.f.ii above, please specify the location on the Transmission System where Interconnection Customer proposes to receive any Incremental Deliverability Rights associated with its proposed facilities:

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# Attachment S, §4.j.

**Issue:** 4.j is a subset of 4.f for all Merchant Transmission Facilities. Indent and number using lower case Roman numerals.

**Title:** **Form of Transmission Interconnection Feasibility Study Agreement**

**Redline:** **jiv.** Other information:

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# Attachment EE, §2

**Issue:** Attachment EE currently does not allow entry of Customer-Funded Upgrade required by §1.49A.04(a).

**Title:** **Form of Upgrade Request**

**Redline:** This Upgrade Request is for Incremental Auction Revenue Rights in accordance with the specifications:

Source location: \_\_\_\_\_

Sink location: \_\_\_\_\_

MW: \_\_\_\_\_

Desired Commencement

Date: \_\_\_\_\_

OR

Describe proposed Customer-Funded Upgrade:

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- Issue:** Attachment EE collects the required deposit and states that its for the SIS.
- Title:** **Tender of System Impact Study Agreement, Upgrade Requests:**
- Redline:** (ii) ~~shall pay the~~ Transmission Provider shall apply the a-\$50,000 deposit Interconnection Customer provided with Attachment EE ~~which will be applied to the~~ towards the Interconnection Customer's study cost responsibility.



## Attachment N-2, §6.2

- Issue:** Customer would construct network substation and would need property.
- Title:** **Form of Facilities Study Agreement:**
- Redline:** To the extent New Service Customer intends to elect the Option to Build as provided in Appendix 2 to Attachment P of the Tariff, and to the extent any new or additional property is required to accommodate required Attachment Facilities **and/or network substation**, on or before \_\_\_\_\_, New Service Customer must provide evidence of an ownership interest in, or right to acquire or control the location which shall be the location of the network substation which shall be built and subsequently transferred to the Interconnected Transmission Owner. The evidence of site control shall be a deed, option agreement, lease, or other similar document acceptable to the Transmission Provider.



# Attachment BB

**Issue:** Neither behind the meter load nor actual export capability is currently requested.

**Title:** **Interconnection Service Agreement for Certified Inverter-based Generating Facility:**

**Redline:** Is the equipment UL1741 Listed? Yes \_\_\_\_\_ No \_\_\_\_\_  
If Yes, attach manufacturer's cut-sheet showing UL1741 listing

Interconnection Customer or Customer-Site Load: \_\_\_\_\_ kW (zero, if none)

Maximum Physical Export Capability Requested: \_\_\_\_\_ kW

Estimated Installation Date: \_\_\_\_\_ Estimated In-Service Date: \_\_\_\_\_



**Issue:** Add lines in signature block for printed names.

**Title:** **Small Inverter Based:**

**Redline:** Transmission Provider:

By: \_\_\_\_\_  
Name Title Date

Printed Name

Interconnection Customer:

By: \_\_\_\_\_  
Name Title Date

Printed Name

Interconnected Transmission Owner:

By: \_\_\_\_\_  
Name Title Date

Printed Name



**Issue:** Current form is not executed by PJM or by customer.

**Title:** **FORM OF SCREENS PROCESS INTERCONNECTION REQUEST  
(FOR GENERATION FACILITIES OF 2MW OR LESS):**

**Redline:** IN WITNESS WHEREOF, the Transmission Provider and the Interconnection Customer have caused this Screens Process Interconnection Request Agreement to be executed by their respective authorized officials.

Transmission Provider: PJM Interconnection, L.L.C.

By: \_\_\_\_\_  
Name Title Date  
\_\_\_\_\_  
Printed Name

New Service Customer: [Name of Party]

By: \_\_\_\_\_  
Name Title Date  
\_\_\_\_\_  
Printed Name



**Issue:** Current form uses the term “capacity,” to mean Capacity and capability. Also difficult for IC to complete for upgrades versus new generation.

**Title:** **FORM OF SCREENS PROCESS INTERCONNECTION REQUEST  
(FOR GENERATION FACILITIES OF 2MW OR LESS):**

**Redline:** c. If Interconnection Request is for an ~~Size in megawatts of generating unit or~~ increase in capability ~~capacity~~ of an existing generating unit, specify in megawatts:

A. The existing Maximum Facility Output (as defined in section 1.18A.03 of the PJM Tariff) of the generating unit:

\_\_\_\_\_ MW

\_\_\_\_\_



**Issue:** Current form uses the term “capacity,” to mean Capacity and capability. Also difficult for IC to complete for upgrades versus new generation.

**Title:** **Generation Interconnection Feasibility Study Agreement:**

**Redline:** B. ~~The existing Capacity~~ **if** Interconnection **Rights of the** ~~Request is for an increase in capacity of existing~~ generating unit: ~~specify size in megawatts of the increase in capacity of existing generating unit:~~

\_\_\_\_\_ **MW** \_\_\_\_\_







**Issue:** Current form uses the term “capacity,” to mean Capacity and capability. Also difficult for IC to complete for upgrades versus new generation.

**Title:** **Generation Interconnection Feasibility Study Agreement:**

**Redline:** C. The proposed incremental increase in Maximum Facility Output:  
\_\_\_\_\_ MW

D. The incremental capability ~~Specify any portion of the facility's capacity~~ that you wish to be a Capacity Resource ~~or Energy Resource.~~

\_\_\_\_\_ MW ~~Capacity Resource~~

\_\_\_\_\_ ~~MW Energy Resource~~



**Issue:** Current form uses the term “capacity,” to mean Capacity and capability. Also difficult for IC to complete for upgrades versus new generation.

**Title:** **Generation Interconnection Feasibility Study Agreement:**

**Redline:** d. If Interconnection Request is for a new generating unit(s), specify in megawatts:

A. The proposed new unit(s) Maximum Facility Output: \_\_\_\_\_ MW

B. The new capability that you wish to be a Capacity Resource: \_\_\_\_ MW

PLEASE NOTE: THE CAPACITY INDICATED IN YOUR RESPONSE TO PART C OF THIS ITEM MAY BE REDUCED, BUT MAY NOT BE INCREASED, WITH RESPECT TO THIS INTERCONNECTION REQUEST FOR THIS PROJECT.

**CD.** Identify the fuel type of the generating unit: \_\_\_\_\_



**Issue:** Current form uses the term “capacity,” to mean Capacity and capability. Also difficult for IC to complete for upgrades versus new generation.

**Title:** **Generation Interconnection Feasibility Study Agreement:**

**Redline:** e. Description of the equipment configuration:

~~e. Planned date the generating unit or increase in capacity will be in service:~~

---

---

f. ~~Planned date~~ ~~is~~ the ~~new~~ generating unit ~~or increase in capacity will~~ ~~to~~ be ~~in service:~~ evaluated as a Capacity Resource?:

---

---

~~Yes \_\_\_\_\_ or No \_\_\_\_\_~~

~~\_\_\_\_\_ If yes, check here to be evaluated also as an Energy Resource:~~

---

---



**Issue:** Current form uses the term “capacity,” to mean Capacity and capability. Also difficult for IC to complete for upgrades.

**Title:** **Generation Interconnection Feasibility Study Agreement:**

**Redline:** g. Is the generating unit Behind The Meter Generation?

Yes \_\_\_\_\_ or No \_\_\_\_\_

If Yes:

A. Specify any portion of the facility’s ~~capacity~~ **capability** that you wish to be a Capacity Resource or Energy Resource.

---



**Issue:** Corrects references and specifies deposit amount.

**Title:** **System Impact Study Agreement :**

**Redline:** 3. Pursuant to Sections 19.1, 32.1, -37, -110.2, 111.2, [204.1](#), 204.2, or 204.3, as applicable, of the PJM Tariff, the New Service Customer (i) requests that the Transmission Provider perform a System Impact Study, and (ii) agrees to submit a deposit of \$\_\_\_\_\_ to the Transmission Provider which will be applied to the New Service Customer's cost responsibility for the System Impact Study, as set forth in [Sections 203](#) or ~~Section 204.3A~~ of the PJM Tariff.



**Issue:** Removes section not required for Eligible Customers.

**Title:** **System Impact Study Agreement :**

**Redline:** 4. Except as otherwise specifically set forth in an attachment to this agreement, New Service Customer represents and warrants that the information provided in Section \_\_\_\_ {insert applicable section number} of the New Service Request dated \_\_\_\_\_, for the request designated \_\_\_\_\_ {insert Queue Position} is accurate and complete as of the date of execution of this System Impact Study Agreement. ~~New Service Customer further provides the following information and represents and warrants that said information is true and correct:~~



**Issue:** Bold and add blank to make easier to identify when crafting agreement.

**Title:** **System Impact Study Agreement :**

**Redline:** 5. Consistent with Section 205 of the PJM Tariff, the Transmission Provider, in consultation with the affected Transmission Owner(s), shall conduct a System Impact Study that identifies the system constraints relating to the New Service Requests being evaluated in the study and the Attachment Facilities, Local Upgrades, and Network Upgrades necessary to accommodate such New Service Requests. It is expected that the System Impact Study will be completed by {insert date ~~insert date~~}\_\_\_\_\_.}. In the event that the Transmission Provider is unable to complete the System Impact Study by that date, the Transmission Provider shall notify the New Service Customer and explain the reasons for the delay.



**Issue:** Bold text to make easier to identify when crafting agreement.

**Title:** **System Impact Study Agreement:**

**Redline:** 6. ... The scope of the System Impact Study **{include for Merchant Transmission Facilities:** may depend in part on the interconnection rights elected by the New Service Customer under Section 36.1.03 of the PJM Tariff and**}** may include (a) an assessment of sub-area import deliverability...





# Attachment P, Attachment GG

**Issue:** Format signature block similar to ISA for space to sign, title and date

**Title:** **Construction Service Agreements:**

**Redline:** Transmission Provider:

By: \_\_\_\_\_  
Name Title Date

\_\_\_\_\_  
Printed Name

Interconnection Customer:

By: \_\_\_\_\_  
Name

\_\_\_\_\_  
Printed Name

Interconnected Transmission Owner:

By: \_\_\_\_\_  
Name

\_\_\_\_\_  
Printed Name



**Issue:** Add line in signature block for printed name.

**Title:** **Form of Certificate of Completion:**

**Redline:** Transmission Provider:

By: \_\_\_\_\_  
Name Title Date

Printed Name

**Issue:** Ties extensions to the approved and revised suspension language.

**Title:** **Modification of Interconnection Request:**

**Redline:** Extensions ~~of less than three (3) cumulative years in the projected date of Initial Operation of the Customer Facility are not material~~ are not material when initiated by Interconnection Customer in accordance with the Interconnection or Upgrade Construction Service Agreement suspension provisions and shall be handled through milestone and construction sequencing.

The proposed Commencement Date can be extended (i) after the scoping meeting, once study timing is fully understood, not to exceed seven years; (ii) due to study delays; or (iii) due to associated Network Upgrade construction timing.

**Issue:** This clarifies that Security for Attachment Facilities and Direct Connection Network Upgrades is aligned with three months of construction after the agreement is executed.

**Title:** **Interconnection Service Agreement, Retaining Priority and Security:**

**Redline:** ...(iii) the estimated cost of the work that the Transmission Owner will be responsible for performing on the required Attachment Facilities, Direct Connection Local Upgrades, and Direct Connection Network Upgrades that are scheduled to be completed during the first three months after such work commences [in earnest](#), ...

- Issue:** This clarifies UCSA Security to collect enough surety for the first quarter of physical construction.
- Title:** **Upgrade Construction Service Agreement, Retaining Priority and Security:**
- Redline:** ...(ii) the estimated cost of work that the New Service Customer will be responsible for performing on the required Direct Assignment Facilities, Direct Connection Local Upgrades, and/or Direct Connection Network Upgrades that are scheduled to be completed during the first three months after such work commences [in earnest](#), ...



# Attachment 0, Specifications §4.7

**Issue:** This changes ISA Security to collect enough surety to cover most expensive, quarter during construction, which may not necessarily be the first quarter.

**Title:** **Security Amount Breakdown:**

**Redline:**        \$\_\_\_ Estimated Cost of Non-Direct Connection Local Upgrades and/or Non-Direct Connection Network Upgrades  
plus \$\_\_\_ Estimated Cost of any Merchant Network Upgrades that Interconnected Transmission Owner is responsible for building  
plus \$\_\_\_ Estimated cost of the work (for the first three months [after construction commences in earnest](#)) on the required Attachment Facilities, Direct Connection Local Upgrades, and Direct Connection Network Upgrades

**Issue:** This is to collect “but for” costs associated with PJM interconnection coordination.

**Title:** **Interconnection Service Agreement, Retaining Priority and Security:**

**Redline:** Transmission Provider shall invoice Interconnection Customer for work by the Interconnected Transmission Owner **and Transmission Provider** on a quarterly basis for the costs to be expended in the subsequent three months.



# Attachment 0, Specifications §2.1

**Issue:** Add clarity to ISA for projects going in to service in advance of their base case study year regarding CIRs.

**Title:** **Capacity Interconnection Rights**

**Redline:** {include the following language when the projected Initial Operation is in advance of the study year used for the System Impact Study and CIRs are only interim until the study year:}

Pursuant to and subject to the applicable terms of the Tariff, the Interconnection Customer shall have Capacity Interconnection Rights at the Point(s) of Interconnection specified in this Interconnection Service Agreement in the amount of \_\_ MW commencing \_\_\_\_\_. During the time period from the effective date of this ISA until \_\_\_\_\_ (the “interim time period”), the Interconnection Customer may be awarded interim Capacity Interconnection Rights in an amount not to exceed \_\_ MW. The availability and amount of such interim Capacity Interconnection Rights shall be dependent upon completion and results of an interim deliverability study. Any interim Capacity Interconnection Rights awarded during the interim time period shall terminate on \_\_\_\_\_.



**Issue:** Adds scenario not listed, where a baseline needs to advance an identified interconnection network upgrade, but is consistent in principal to other sections.

**Title:** **Cost Responsibility for Necessary Facilities and Upgrades:**

**Redline:** If a Network Upgrade for which Interconnection Customer has cost responsibility under this ISA is accelerated for an RTEP Baseline Upgrade, Transmission Owner Initiated Upgrade, or Supplemental Upgrade, Interconnection Customer shall not be required to pay any expediting cost associated with accelerating the construction of such Network Upgrades and shall not be required to pay the non-expedited cost of such Network Upgrades unless, and until such time as, it would otherwise have been required to make such payments absent the accelerated construction.

# The End