

36.1 General:

Generation Interconnection Requests and Transmission Interconnection Requests shall be governed by this Section 36.

36.1.01 Generation Interconnection Request:

Except as otherwise provided in this Subpart A with respect to Behind The Meter Generation, an Interconnection Customer that seeks to interconnect new generation in, or to increase the capacity of generation already interconnected in, the PJM Region shall submit to the Transmission Provider a Generation Interconnection Request. The Transmission Provider shall acknowledge receipt of the Generation Interconnection Request (electronically when available to all parties, otherwise written) within five business days after receipt of the request and shall attach a copy of the received Generation Interconnection Request to the Transmission Provider's acknowledgment.

1. Generation Interconnection Request Requirements.

- a. To be assigned a PJM Queue Position pursuant to section 201, a Generation Interconnection Customer must submit a complete and fully executed Generation Interconnection Feasibility Study Agreement, a form of which is located in the PJM Tariff, Attachment N. To be considered complete at the time of submission, the Interconnection Customer's Generation Interconnection Feasibility Study Agreement must include, at a minimum, each of the following:
 - (i) specification of the location of the proposed generating unit site or existing generating unit (include both a written description (e.g., street address, global positioning coordinates) and attach a map in PDF format depicting the property boundaries and the location of the generating unit site); and
 - (ii) evidence of an ownership interest in, or right to acquire or control the generating unit site for a minimum of three (3) years, such as a deed, option agreement, lease, or other similar document acceptable to the Transmission Provider; and
 - (iii) the MW size of the proposed generating unit or the amount of increase in MW capability of an existing generating unit, and identification of any MW portion of the facility's capability that will be a Capacity Resource; and
 - (iv) identification of the fuel type of the proposed generating unit or upgrade thereto; and
 - (v) a description of the equipment configuration, and a set of preliminary electrical design specifications, and, if the generating unit is a wind generation facility, then the set of preliminary electrical design specifications must depict the wind plant as a single equivalent generator; and

- (vi) the planned date the proposed generating unit or increase in MW capability of an existing generating unit will be in service, where such date is to be no more than seven years from the date that a complete and fully executed Generation Interconnection Feasibility Study Agreement is received by the Transmission Provider unless the Interconnection Customer demonstrates that engineering, permitting, and construction of the generating unit or increase in capability will take more than seven years; and
- (vii) any additional information as may be prescribed by the Transmission Provider in the PJM Manuals; and
- (viii) if Behind the Meter Generation is identified in the Generation Interconnection Feasibility Study Agreement, all of the requirements in section 36.1A of the PJM Tariff must also be met; and
- (ix) Deposit.
 - (1) A deposit shall be submitted to Transmission Provider, as follows:
 - (i) Provided that the maximum total deposit amount for a Generation Interconnection Request submitted in the first four calendar months of the current New Services Queue will not exceed \$110,000, a deposit of \$10,000 plus \$100 for each MW requested if the Generation Interconnection Request is received in the first four calendar months of the current New Services Queue; or
 - (ii) Provided that the maximum total deposit amount for a Generation Interconnection Request submitted in the fifth calendar month of the current New Services Queue will not exceed \$120,000, a deposit of \$20,000 plus \$150 for each MW requested if the Generation Interconnection Request is received in the fifth calendar month of the current New Services Queue; or
 - (iii) Provided that the maximum total deposit amount for a Generation Interconnection Request submitted in the sixth calendar month of the current New Services Queue will not exceed \$130,000A deposit of \$30,000 plus \$200 for each MW requested, if the Generation Interconnection Request is received in the sixth calendar month of the current New Services Queue.

- (2) Ten percent (10%) of each total deposit amount is non-refundable. Any unused non-refundable deposit monies will be returned to the Generation Interconnection Customer upon Initial Operation. However, if, before reaching Initial Operation, the Generation Interconnection Customer withdraws its Generation Interconnection Request, or the Generation Interconnection Request is otherwise deemed rejected or terminated and withdrawn, any unused portion of the non-refundable deposit monies will be used to fund:
- i. Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices due to Transmission Provider, Interconnected Transmission Owner(s) and/or third party contractors, as applicable, as a result of any failure of the Interconnection Customer to pay actual costs for the Generation Interconnection Request and/or associated Queue Position; and/or
 - ii. Any restudies required as a result of the rejection, termination and/or withdrawal of such Generation Interconnection Request; and/or
 - iii. Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Generation Interconnection Requests by the Interconnection Customer.
- (3) Ninety percent (90%) of each total deposit amount is refundable, and the Transmission Provider will utilize, in no particular order, the refundable portion of each total deposit amount to cover the following:
- (i) The cost of the Queue Position acceptance review; and
 - (ii) The cost of the deficiency review of the Interconnection Customer's Generation Interconnection Request (to determine whether the Generation Interconnection Request is valid); and
 - (iii) The dollar amount of the Interconnection Customer's cost responsibility for the Generation Interconnection Feasibility Study; and
 - (iv) If the Generation Interconnection Request is deemed to be modified (pursuant to section 36.2A of Part VI of the PJM Tariff), rejected, terminated and/or withdrawn

during the deficiency review and/or deficiency response period, as described further below, or during the Feasibility Study period, the refundable deposit money will be applied to cover all of the costs incurred by the Transmission Provider up to the point of such Generation Interconnection Request being modified, rejected, terminated and/or withdrawn, and any remaining refundable deposit monies will be applied to cover:

- (a) The costs of any restudies required as a result of the modification (pursuant to section 36.2A of Part VI of the PJM Tariff), rejection, termination and/or withdrawal of such Generation Interconnection Request; and/or
 - (b) Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices due to Transmission Provider, Interconnected Transmission Owner(s) and/or third party contractors, as applicable, as a result of any failure of the Interconnection Customer to pay actual costs for the Generation Interconnection Request and/or associated Queue Position; and/or
 - (c) Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Generation Interconnection Requests by the Interconnection Customer.
 - (d) If any refundable deposit monies remain after all costs and outstanding monies owed, as described in this section, are covered, such remaining refundable deposit monies will be returned to the Generation Interconnection Customer in accordance with the PJM Manuals.
- (4) Upon completion of the Feasibility Study, the Transmission Provider will apply any remaining refundable deposit monies toward:
- (i) The Interconnection Customer's cost responsibility for any other studies conducted for the Generation

Interconnection Request under Part VI of the PJM Tariff, which will be applied prior to the deposit monies collected for such other studies; and/or

- (ii) Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior Generation Interconnection Requests by the Interconnection Customer.
- (5) If any refundable deposit monies remain after the Feasibility Study is complete and any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Generation Interconnection Requests by the Interconnection Customer have been paid, such remaining deposit monies will be returned to the Generation Interconnection Customer.
- (6) The Interconnection Customer must submit the total required deposit amount with the Generation Interconnection Request. If the Interconnection Customer fails to submit the total required deposit amount with the Generation Interconnection Request, the Generation Interconnection Request shall be deemed to be terminated and withdrawn (i.e., the Generation Interconnection Request will be terminated prior to reaching the deficiency review stage).
- (7) Deposit monies are non-transferrable. Under no circumstances may refundable or non-refundable deposit monies for a specific Interconnection Request or Queue Position be applied in whole or in part to a different New Service Request or Interconnection Request or Queue Position.
2. Deficiency Review. Within five business days of the Interconnection Customer submitting a Generation Interconnection Request, Transmission Provider shall provide a deficiency review of the Generation Interconnection Request to determine whether the Interconnection Customer submitted a valid Generation Interconnection Request.
- a. With the exception of evidence of an ownership interest in, or right to acquire or control the generating unit site for a minimum of three (3) years, if a Generation Interconnection Request meets all requirements set forth above the Transmission Provider will start the deficiency review. Interconnection Customers that fail to provide site control evidence while their requests are available for deficiency review will not be assigned a Queue Position until the Transmission Provider receives site control evidence that is acceptable to the Transmission Provider.
 - b. Pursuant to section 9, Cost Responsibility, of the Generation Interconnection Feasibility Study Agreement (PJM Tariff, Attachment N), if the Transmission

Provider anticipates that the actual study costs will exceed the refundable portion of the required deposit, the Transmission Provider shall provide the Interconnection Customer with an estimate of the additional study costs. The estimated additional study costs are non-binding, and additional actual study costs may exceed the estimated additional study cost increases provided by the Transmission Provider. Regardless of whether the Transmission Provider provides the Interconnection Customer with estimated additional study costs, the Interconnection Customer is responsible for and must pay all actual study costs.

- i. If the Transmission Provider sends the Interconnection Customer notification of estimated additional study costs during the deficiency review period (as described below), then the Interconnection Customer must either:
 1. Withdraw the Generation Interconnection Request during the deficiency response period (as described below); or
 2. Pay all estimated additional study costs prior to the expiration of the deficiency response period (as described below).
 3. If the Interconnection Customer fails to complete either (1) or (2) above, the Generation Interconnection Request shall be deemed terminated and withdrawn.
 - ii. If at any time after the deficiency review period the Transmission Provider provides the Interconnection Customer with notification of estimated additional study costs, the Interconnection Customer must pay such estimated additional study costs within ten (10) business days of Transmission Provider sending the Interconnection Customer notification of such estimated additional study costs. If the Interconnection Customer fails to pay such estimated additional study costs within ten (10) business days of Transmission Provider sending the Interconnection Customer notification of such estimated additional study costs, then the Generation Interconnection Request shall be deemed to be terminated and withdrawn.
- c. If there are deficiencies in the Generation Interconnection Request for any of the requirements set forth above, the Transmission Provider shall notify the Interconnection Customer (electronically when available to all parties, otherwise written) within five(5) business days of receipt of the Generation Interconnection Request that such Generation Interconnection Request is deficient. This notification is referred to as a deficiency notice.
- i. The deficiency notice shall clearly set forth the basis upon which the deficiency determination was made.

- ii. The Interconnection Customer will be provided ten (10) business days to respond to the deficiency notice. This ten business day period is referred to as the deficiency response period.
 - 1. Within the deficiency response period, the Interconnection Customer shall provide, in full, the additional information and/or evidence (such as generation site control) and/or monies that the Transmission Provider's deficiency notice identified as being required to constitute a valid Generation Interconnection Request.
 - 2. If the Interconnection Customer fails to clear within the deficiency response period all deficiencies identified by the Transmission Provider in the deficiency notice, the Generation Interconnection Request shall be deemed to be terminated and withdrawn.
 - iii. Without regard to the timing of the Interconnection Customer's deficiency response period, the Transmission Provider shall have an additional five (5) business days to review each Interconnection Customer's response to the deficiency notice.
 - 1. If the Generation Interconnection Request is still deficient after the Transmission Provider's additional five (5) business day review and the full ten (10) business days of the Interconnection Customer's deficiency response period have expired, the Generation Interconnection Requests shall be deemed to be terminated and withdrawn.
 - iv. If the Interconnection Customer fails to respond in full to the Transmission Provider's deficiency notice (including failing to provide all of the additional required information, evidence and/or make payments on any outstanding invoices required by the Transmission Provider's deficiency notice), the Generation Interconnection Request shall be deemed to be terminated and withdrawn.
3. Because of the required Transmission Provider deficiency review periods (including the additional five (5) business days afforded to the Transmission Provider to review an Interconnection Customer's deficiency response) and the Interconnection Customer's ten (10) business day deficiency response period, as described above, a Generation Interconnection Request must be assigned a Queue Position by the Transmission Provider no later than one day before the fifteenth business day preceding the last day (close) of the relevant New Services Queue or the Generation Interconnection Request shall be deemed to be terminated and withdrawn. Any Queue Position for which an

Interconnection Customer has not cleared the deficiencies before the close of the relevant New Services Queue will be deemed to be terminated and withdrawn, even if the deficiency response period for such Queue Position does not expire until after the close of the relevant New Services Queue.

4. In accordance with section 201 of Part VI of the PJM Tariff, the Transmission Provider will assign Queue Positions as of the date and time of receipt of all information required pursuant to section 36.1.01. If the information required pursuant to section 36.1.01 is provided to the Transmission Provider in separate submissions, the Queue Position will be assigned based on the date and time of receipt of the last required piece of information.
5. Deficiency notices will be considered cleared as of the date and time the Transmission Provider receives from the Interconnection Customer the last piece of required information deemed acceptable by the Transmission Provider to clear such deficiency notice.

6. Transmission Provider Website Postings.
 - a. The Transmission Provider shall maintain on the Transmission Provider's website a list of all Generation Interconnection Requests that identifies:
 - (i) the proposed maximum summer and winter megawatt electrical output;
 - (ii) the location of the generation by county and state;
 - (iii) the station or transmission line or lines where the interconnection will be made;
 - (iv) the facility's projected date of Initial Operation;
 - (v) the status of the Generation Interconnection Request, including its Queue position;
 - (vi) the type of Generation Interconnection Service requested;
 - (vii) the availability of any studies related to the Interconnection Request;
 - (viii) the date of the Generation Interconnection Request;
 - (ix) the type of Generating Facility to be constructed (combined cycle, base load or combustion turbine and fuel type); and
 - (x) for each Generation Interconnection Request that has not resulted in a completed interconnection, an explanation of why it was not completed.
 - b. This list will not disclose the identity of the Generation Interconnection Customer, except as otherwise provided in Part IV of the Tariff. The list and the priority of

Generation Interconnection Requests shall be included on the website as part of the New Services Queue.

36.1.02 Generation Interconnection Requests of 20 Megawatts or Less:

The Transmission Provider has developed streamlined processes for Generation Interconnection Requests involving new generation resources of 20 MW or less and increases in the capacity of a generating unit by 20 MW or less over any consecutive 24-month period. The processes for Generation Interconnection Requests involving increases in capacity by 20 MW or less are set forth in Subpart G of Part IV of the Tariff and the PJM Manuals.

36.1.03 Transmission Interconnection Request:

An Interconnection Customer that seeks to interconnect or add Merchant Transmission Facilities to the Transmission System, or to increase the capacity of existing Merchant Transmission Facilities interconnected with the Transmission System, or to advance the construction of any transmission enhancement or expansion other than Merchant Transmission Facilities that is included in the Regional Transmission Expansion Plan prepared pursuant to Schedule 6 of the Operating Agreement, shall submit to the Transmission Provider a Transmission Interconnection Request. The Transmission Provider shall acknowledge receipt of the Transmission Interconnection Request (electronically when available to all parties, otherwise written) within five business days after receipt of the request and shall attach a copy of the received Transmission Interconnection Request to the Transmission Provider's acknowledgment.

1. Transmission Interconnection Request Requirements.
 - a. To be assigned a PJM Queue Position pursuant to section 201, a Transmission Interconnection Customer must submit a complete and fully executed Transmission Interconnection Feasibility Study Agreement, a form of which is located in the PJM Tariff, Attachment S. To be considered complete at the time of submission, the Interconnection Customer's Transmission Interconnection Feasibility Study Agreement must include, at a minimum, each of the following:
 - i. the location of the proposed Merchant Transmission Facilities and of the substation(s) or other location(s) where the Transmission Interconnection Customer proposes to interconnect or add its Merchant Transmission Facilities to the Transmission System; and
 - ii. a description of the proposed Merchant Transmission Facilities; and
 - iii. the nominal capability or increase in capability (in megawatts) of the proposed Merchant Transmission Facilities or planned increase in the capability of the existing facilities on which any proposed Merchant Network Upgrades would be installed; and
 - iv. the planned date the proposed Merchant Transmission Facilities will be in service, such date to be no more than seven years from the date the request is received by the Transmission Provider, unless the Transmission Interconnection Customer demonstrates that engineering, permitting and

construction of the Merchant Transmission Facilities will take more than seven years; and

- v. if the request relates to proposed Merchant D.C. Transmission Facilities and/or Controllable A.C. Merchant Transmission Facilities that will interconnect with the Transmission System and with another control area outside the PJM Region, the Transmission Interconnection Customer's election to receive either: and
 - 1. Transmission Injection Rights and/or Transmission Withdrawal Rights, or
 - 2. Incremental Deliverability Rights, Incremental Auction Revenue Rights, Incremental Capacity Transfer Rights, and Incremental Available Transfer Capability Revenue Rights, associated with the capability of the proposed Merchant D.C. Transmission Facilities and/or Controllable A.C. Merchant Transmission Facilities; and
- vi. if the Transmission Interconnection Customer will be eligible to receive Incremental Deliverability Rights under Section 235 of the Tariff, identification of the point on the Transmission System where the Transmission Interconnection Customer wishes to receive Incremental Deliverability Rights created by the construction or installation of its proposed Merchant Transmission Facilities; and
- vii. any additional information as may be prescribed by the Transmission Provider in the PJM Manuals; and
- viii. Deposit.
 - 1. A deposit shall be submitted to the Transmission Provider as follows:
 - a. Provided that the maximum total deposit amount for a Transmission Interconnection Request submitted in the first four calendar months of the current New Services Queue will not exceed \$110,000, a deposit of \$10,000 plus \$100 for each MW requested if the Transmission Interconnection Request is received in the first four calendar months of the current New Services Queue;
 - b. Provided that the maximum total deposit amount for a Transmission Interconnection Request submitted in the fifth calendar month of the current New Services Queue will not exceed \$120,000, a deposit of \$20,000 plus \$150

for each MW requested if the Transmission Interconnection Request is received within the fifth calendar month of the current New Services Queue;

- c. Provided that the maximum total deposit amount for a Transmission Interconnection Request submitted in the sixth calendar month of the current New Services Queue will not exceed \$130,000, a deposit of \$30,000 plus \$200 for each MW requested, if the Transmission Interconnection Request is received within the sixth calendar month of the current New Services Queue.
2. Ten percent (10%) of each total deposit amount is non-refundable. Any unused non-refundable deposit monies will be returned to the Transmission Interconnection Customer upon Initial Operation. However, if, before reaching Initial Operation, the Transmission Interconnection Customer withdraws its Transmission Interconnection Request, or the Transmission Interconnection Request is otherwise deemed rejected or terminated and withdrawn, any unused portion of the non-refundable deposit monies will be used to fund:
 - a. Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices due to Transmission Provider, Interconnected Transmission Owner(s) and/or third party contractors, as applicable, as a result of any failure of the Interconnection Customer to pay actual costs for the Transmission Interconnection Request and/or associated Queue Position; and/or
 - b. Any restudies required as a result of the rejection, termination and/or withdrawal of such Transmission Interconnection Request; and/or
 - c. Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Transmission and/or Generation Interconnection Requests by the Interconnection Customer.
3. Ninety percent (90%) of each total deposit amount is refundable, and the Transmission Provider will utilize, in no particular order, the refundable portion of each total deposit amount to cover the following:

a.

- a. The cost of the Queue Position acceptance review; and
- b. The cost of the deficiency review of the Interconnection Customer's Transmission Interconnection Request (to determine whether the Transmission Interconnection Request is valid); and
- c. The dollar amount of the Interconnection Customer's cost responsibility for the Transmission Interconnection Feasibility Study; and
- d. If the Transmission Interconnection Request is deemed to be modified (pursuant to section 36.2A of Part VI of the PJM Tariff), rejected, terminated and/or withdrawn during the deficiency review and/or deficiency response period, as described further below, or during the Feasibility Study period, the refundable deposit money will be applied to cover all of the costs incurred by the Transmission Provider up to the point of such Transmission Interconnection Request being modified, rejected, terminated and/or withdrawn, and any remaining refundable deposit monies will be applied to cover:
 - i. The costs of any restudies required as a result of the modification, rejection termination and/or withdrawal of such Transmission Interconnection Request; and/or
 - ii. Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices due to Transmission Provider, Interconnected Transmission Owner(s) and/or third party contractors, as applicable, as a result of any failure of the Interconnection Customer to pay actual costs for the Transmission Interconnection Request and/or associated Queue Position; and/or
 - iii. Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Transmission and/or Generation Interconnection Requests by the Interconnection Customer.

- iv. If any refundable deposit monies remain after all costs and outstanding monies owed, as described in this section, are covered, such remaining refundable deposit monies will be returned to the Generation Interconnection Customer in accordance with the PJM Manuals.
- 4. Upon completion of the Transmission Interconnection Feasibility Study, the Transmission Provider will apply any remaining refundable deposit monies toward:
 - a. The Interconnection Customer's cost responsibility for any other studies conducted for the Transmission Interconnection Request under Part VI of the PJM Tariff, which will be applied prior to the deposit monies collected for such other studies; and/or
 - b. Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Transmission and/or Generation Interconnection Requests by the Interconnection Customer.
- 5. If any refundable deposit monies remain after the Feasibility Study is complete and any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Transmission and/or Generation Interconnection Requests by the Interconnection Customer have been paid, such remaining deposit monies will be returned to the Transmission Interconnection Customer.
- 6. The Interconnection Customer must submit the total required deposit amount with the Transmission Interconnection Request. If the Interconnection Customer fails to submit the total required deposit amount with the Transmission Interconnection Request, the Transmission Interconnection Request shall be deemed to be terminated and withdrawn (i.e., the Transmission Interconnection Request will be terminated prior to reaching the deficiency review stage).
- 7. Deposit monies are non-transferrable. Under no circumstances may refundable or non-refundable deposit monies for a specific Interconnection Request or Queue Position be applied in whole or in part to a different New Service Request or Interconnection Request or Queue Position.

2. Deficiency Review. Within five business days of the Interconnection Customer submitting a Transmission Interconnection Request, the Transmission Provider shall provide a deficiency review of the Transmission Interconnection Request to determine whether the Interconnection Customer submitted a valid Transmission Interconnection Request.
 - a. If a Transmission Interconnection Request meets all requirements set forth above, the Transmission Provider will start the deficiency review.
 - b. Pursuant to section 9, Cost Responsibility, of the Transmission Interconnection Feasibility Study Agreement (PJM Tariff, Attachment S), if the Transmission Provider anticipates that the actual study costs will exceed the refundable portion of the required deposit, the Transmission Provider shall provide the Interconnection Customer with an estimate of the additional study costs. The estimated additional study costs are non-binding, and additional actual study costs may exceed the estimated additional study cost increases provided by the Transmission Provider. Regardless of whether the Transmission Provider provides the Interconnection Customer with estimated additional study costs, the Interconnection Customer is responsible for and must pay all actual study costs.
 - i. If the Transmission Provider sends the Interconnection Customer notification of estimated additional study costs during the deficiency review period (as described below), then the Interconnection Customer must either:
 1. Withdraw the Interconnection Request during the deficiency response period (as described below); or
 2. Pay all estimated additional study costs prior to the expiration of the deficiency response period (as described below).
 3. If the Interconnection Customer fails to complete either (1) or (2) above, the Transmission Interconnection Request shall be deemed to be terminated and withdrawn.
 - ii. If at any time after the deficiency review period the Transmission Provider provides the Interconnection Customer with notification of estimated additional study costs, the Interconnection Customer must pay such estimated additional study costs within ten (10) business days of Transmission Provider sending the Interconnection Customer notification of such estimated additional study costs. If the Interconnection Customer fails to pay such estimated additional study costs within ten (10) business

days of Transmission Provider sending the Interconnection Customer notification of such estimated additional study costs, then the Transmission Interconnection Request shall be deemed to be terminated and withdrawn.

- c. If there are deficiencies in the Transmission Interconnection Request for any of the requirements set forth above, the Transmission Provider shall notify the Interconnection Customer (electronically when available to all parties, otherwise written) within five (5) business days of receipt of the Transmission Interconnection Request that such Transmission Interconnection Request is deficient. This notification is referred to as a deficiency notice.
 - i. The deficiency notice shall clearly set forth the basis upon which the deficiency determination was made.
 - ii. The Interconnection Customer will be provided ten (10) business days to respond to the deficiency notice. This ten business day period is referred to as the deficiency response period.
 - 1. Within the deficiency response period, the Interconnection Customer shall provide, in full, the additional information and/or monies that the Transmission Provider's deficiency notice identified as being required to constitute a valid Transmission Interconnection Request.
 - 2. If the Interconnection Customer fails to clear within the deficiency response period all deficiencies identified by the Transmission Provider in the deficiency notice, the Transmission Interconnection Request shall be deemed to be terminated and withdrawn.
 - iii. Without regard to the timing of the Interconnection Customer's deficiency response period, the Transmission Provider shall have an additional five (5) business days to review the Interconnection Customer's response to the deficiency notice.
 - 1. If the Transmission Interconnection Request is still deficient after the Transmission Provider's additional five (5) business day review and the full ten (10) business days of the Interconnection Customer's deficiency response period have expired, the Transmission Interconnection Request shall be deemed to be terminated and withdrawn.

- iv. If the Interconnection Customer fails to respond in full to the Transmission Provider's deficiency notice (including failing to provide all of the additional required information, evidence and/or make payments on any outstanding invoices required by the Transmission Provider's deficiency notice), the Transmission Interconnection Request shall be deemed to be terminated and withdrawn.
3. Because of the required Transmission Provider deficiency review periods (including the additional five (5) business days afforded to the Transmission Provider to review an Interconnection Customer's deficiency response) and the Interconnection Customer's ten (10) business day deficiency response period, as described above, a Transmission Interconnection Request must be assigned a Queue Position by the Transmission Provider no later than one day before the fifteenth business day preceding the last day (close) of the relevant New Services Queue or the Transmission Interconnection Request shall be deemed to be terminated and withdrawn. Any Queue Position for which an Interconnection Customer has not cleared the deficiencies before the close of the relevant New Services Queue shall be deemed to be terminated and withdrawn, even if the deficiency response period for such Queue Position does not expire until after the close of the relevant New Services Queue.
4. The Transmission Provider will assign Queue Positions pursuant to section 201 on the date and time of receipt of all the required information set forth in this section 36.1.03.
5. Deficiencies will be considered cleared as of the date and time the Transmission Provider receives from the Interconnection Customer the last piece of required information deemed acceptable by the Transmission Provider to clear such deficiency notice.
6. **Adjacent Control Area Stipulation.** If applicable, within thirty (30) calendar days of submitting its Transmission Interconnection Request, the Interconnection Customer shall provide evidence acceptable to the Transmission Provider that Interconnection Customer has submitted a valid interconnection request with the adjacent Control Area(s) in which it is interconnecting. Transmission Interconnection Customer shall maintain its queue position(s) with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for this Transmission Interconnection Request. If Interconnection Customer fails to maintain its queue position(s) with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for this Transmission Interconnection Request, this Transmission Interconnection Request shall be deemed to be terminated and withdrawn,
7. **Transmission Provider Website Postings.**

- a. The Transmission Provider shall maintain on the Transmission Provider's website a list of all Transmission Interconnection Requests that identifies:
 - i. in megawatts the potential nominal capability or increase in capability;
 - ii. the location of the Merchant Transmission Facilities by county and state;
 - iii. the station or transmission line or lines where the interconnection will be made;
 - iv. the facility's projected date of Initial Operation;
 - v. the status of the Transmission Interconnection Request, including its Queue Position;
 - vi. the availability of any studies related to the Interconnection Request;
 - vii. the date of the Transmission Interconnection Request;
 - viii. the type of Merchant Transmission Facilities to be constructed; and
 - ix. for each Transmission Interconnection Request that has not resulted in a completed interconnection, an explanation of why it was not completed.
- b. This list will not disclose the identity of the Transmission Interconnection Customer, except as otherwise provided in Part IV or Part VI of the Tariff. The list and the priority of Transmission Interconnection Requests shall be included on the Transmission Provider's website as a part of the New Services Queue.

36.1.1 Interconnection Services for Generation:

Generation Interconnection Customers may request either of two forms of Interconnection Service, i.e., interconnection as a Capacity Resource or as an Energy Resource. Energy Resource status allows the generator to participate in the PJM Interchange Energy Market pursuant to the PJM Operating Agreement. Capacity Resource status allows the generator to participate in the PJM Interchange Energy Market to be utilized by load-serving entities in the PJM Region to meet capacity obligations imposed under the Reliability Assurance Agreement and/or to be designated as a Network Resource under Part III. Capacity Resources also may participate in Reliability Pricing Model Auctions and in Ancillary Services markets pursuant to the PJM Tariff or the Operating Agreement. Capacity Resource status is based on providing sufficient transmission capability to ensure deliverability of generator output to the aggregate PJM Network Load and to satisfy the contingency criteria in the Applicable Standards. Specific tests performed during the Generation Interconnection Feasibility Study and later System Impact Study will identify those upgrades required to satisfy the contingency criteria applicable at the generator's location.

Consistent with Section 1.7.4(i) of Schedule 1 to the Operating Agreement, to the extent its generating facility is dispatchable, an Interconnection Customer shall submit an Economic Minimum in the real-time market that is no greater than the higher of its physical operating minimum or its Capacity Interconnection Rights.

36.1.2 No Applicability to Transmission Service:

Nothing in this Part IV shall constitute a request for transmission service, or confer upon an Interconnection Customer any right to receive transmission service, under Part II or Part III.

36.1.3 [Reserved]

36.1.4 [Reserved]

36.1.5 Scoping Meeting:

After a valid Interconnection Request has been established, the Transmission Provider shall provide each Interconnection Customer with an opportunity for a scoping meeting among the Transmission Provider, the prospective Interconnected Transmission Owner and the Interconnection Customer. The purpose of the scoping meeting will be to identify one alternative Point(s) of Interconnection and configurations to evaluate in the Interconnection Studies and to attempt to select the best alternatives in a reasonable fashion given resources and information available. The Interconnection Customer may select a maximum of two Point(s) of Interconnection to be studied during the Interconnection Feasibility Study, a primary and secondary Point of Interconnection may be selected by the Interconnection Customer. After establishing a valid Interconnection Request, Transmission Provider shall offer to arrange, within seven business days of establishing such valid Interconnection Request, for the scoping meeting, and shall provide a minimum of three suggested meeting dates and times for the scoping meeting. The scoping meeting shall be held, or waived by mutual agreement of the parties within 45 days after establishment of a valid Interconnection Request if the valid Interconnection Request is established in the first four calendar months of the current New Services Queue; or within 30 days if the valid Interconnection Request is established within the fifth calendar month of the current New Services Queue; or in 20 days if the valid Interconnection Request is established in the sixth calendar month of the date of the beginning of the current New Services Queue. The Interconnection Customer may choose to divide the scoping meeting into two sessions, one between the Transmission Provider and Interconnection Customer and one among Transmission Provider, the Interconnection Customer and the prospective Interconnected Transmission Owner. Such meetings may be held consecutively on the same day. Scoping meetings may be held in person or by telephone or video conference. In the event the Interconnection Customer fails to waive or complete the scoping meeting requirement, its Interconnection Request shall be deemed to be terminated and withdrawn.

36.1.6 Coordination with Affected Systems:

The Transmission Provider will coordinate with Affected System Operators the conduct of any required studies in accordance with Section 202.

36.1.7 Base Case Data:

Transmission Provider shall provide Interconnection Customer with base power flow, short circuit and stability databases, including all underlying assumptions, and contingency list upon request and subject to the confidentiality provisions of Section 223 of the Tariff. Transmission Provider may require Interconnection Customer to sign a confidentiality agreement before the release of commercially sensitive information or Critical Energy Infrastructure Information in the Base Case data. Such databases and lists, hereinafter referred to as Base Cases, shall include all (i) generation projects and (ii) transmission projects, including merchant transmission projects, that are included in the then-current, approved Regional Transmission Expansion Plan.

Intra-PJM Tariff fs --> OPEN ACCESS TRANSMISSION TARIFF --> OATT IV. INTERCONNECTIONS WITH THE

36.2 Interconnection Feasibility Study:

After receiving an Interconnection Request, a signed Generation Interconnection Feasibility Study Agreement or Transmission Interconnection Feasibility Study Agreement, as applicable, and the applicable deposit contained in Sections 36.1.01, 36.1.03, 110.1, 111.1, and 112.1 of the Tariff from the Interconnection Customer, and, if applicable, subject to the terms of Section 36.1A.5, the Transmission Provider shall conduct an Interconnection Feasibility Study to make a preliminary determination of the type and scope of Attachment Facilities, Local Upgrades, and Network Upgrades that will be necessary to accommodate the Interconnection Request and to provide the Interconnection Customer a preliminary estimate of the time that will be required to construct any necessary facilities and upgrades and the Interconnection Customer's cost responsibility, estimated consistent with Section 217 of the Tariff. The Interconnection Feasibility Study assesses the practicality and cost of accommodating interconnection of the generating unit or increased generating capacity with the Transmission System. The analysis is limited to load-flow analysis of probable contingencies and, for Generation Interconnection Requests, short-circuit studies. This study also focuses on determining preliminary estimates of the type, scope, cost and lead time for construction of facilities required to interconnect the project. For a Generation Interconnection Customer, the Interconnection Feasibility Study may provide separate estimates of necessary facilities and upgrades and associated cost responsibility reflecting the generating facility being designated as either a Capacity Resource or an Energy Resource. The study for the primary Point of Interconnection will be conducted as a cluster, within the project's New Services Queue. The study for the secondary Point of Interconnection will be conducted as a sensitivity analysis. The Transmission Provider shall provide a copy of the Interconnection Feasibility Study and, to the extent consistent with the Office of the Interconnection's confidentiality obligations in Section 18.17 of the Operating Agreement, related work papers to the Interconnection Customer and the affected Transmission Owner(s). Upon completion, the Transmission Provider shall list the study and the date of the Interconnection Request to which it pertains on the Transmission Provider's website. To the extent required by Commission regulations, the Transmission Provider shall make the completed Interconnection Feasibility Study publicly available upon request, except that the identity of the Interconnection Customer shall remain confidential. The Transmission Provider shall conduct Interconnection Feasibility Studies two times each year.

The following applies to Interconnection Requests received prior to October 1, 2016:

For Interconnection Requests received during the six-month period ending October 31, the Transmission Provider shall use due diligence to complete Interconnection Feasibility Studies by the last day of February. For Interconnection Requests received during the six-month period ending April 30 the Transmission Provider shall use due diligence to complete Interconnection Feasibility Studies by August 31. Following the closure of an interconnection queue on October 31 and April 30, the Transmission Provider will utilize the following one month period to conduct any remaining scoping meetings and assemble the necessary analysis models so as to initiate the performance of the Interconnection Feasibility Studies on December 1 and June 1, respectively. In the event that the Transmission Provider is unable to complete an Interconnection Feasibility Study within such time period, it shall so notify the affected

Interconnection Customer and the affected Transmission Owner(s) and provide an estimated completion date along with an explanation of the reasons why additional time is needed to complete the study.

The following applies to Interconnection Requests received between November 1, 2016 and March 31, 2017:

For Interconnection Requests received during the five-month period ending March 31, the Transmission Provider shall use due diligence to complete Interconnection Feasibility Studies by July 31. Following the closure of the relevant New Services Queue on March 31, the Transmission Provider will utilize the following one month period to conduct any remaining scoping meetings and assemble the necessary analysis models so as to initiate the performance of the Interconnection Feasibility Studies on May 1. In the event that the Transmission Provider is unable to complete an Interconnection Feasibility Study within such time period, it shall so notify the affected Interconnection Customer and the affected Transmission Owner(s) and provide an estimated completion date along with an explanation of the reasons why additional time is needed to complete the study.

The following applies to Interconnection Requests received after April 1, 2017:

For Interconnection Requests received during the six-month period ending September 30, the Transmission Provider shall use due diligence to complete Interconnection Feasibility Studies by January 31. For Interconnection Requests received during the six-month period ending March 31, the Transmission Provider shall use due diligence to complete Interconnection Feasibility Studies by July 31. Following the closure of the relevant New Services Queues on September 30 and March 31, respectively, the Transmission Provider will utilize the following months of October and April, respectively, to conduct any remaining scoping meetings and assemble the necessary analysis models so as to initiate the performance of the Interconnection Feasibility Studies on November 1 and May 1, respectively. In the event that the Transmission Provider is unable to complete an Interconnection Feasibility Study within such time period, it shall so notify the affected Interconnection Customer and the affected Transmission Owner(s) and provide an estimated completion date along with an explanation of the reasons why additional time is needed to complete the study.

Part I of the PJM Tariff, Definitions

1.2C Applicable Technical Requirements and Standards:

Those certain technical requirements and standards applicable to interconnections of generation and/or transmission facilities with the facilities of an Interconnected Transmission Owner or, as the case may be and to the extent applicable, of an Electric Distributor (as defined in Section 1.8 of the Operating Agreement), as published by Transmission Provider in a PJM Manual provided, however, that, with respect to any generation facilities with maximum generating capacity of 2 MW or less (Synchronous) or 5 MW or less (Inverter-based) for which the Interconnection Customer executes a Construction Service Agreement or Interconnection Service Agreement on or after March 19, 2005, “Applicable Technical Requirements and Standards” shall refer to the “PJM Small Generator Interconnection Applicable Technical Requirements and Standards.” All Applicable Technical Requirements and Standards shall be publicly available through postings on Transmission Provider’s internet website.

110 Permanent Capacity Resource Additions of 20 MW or Less

This section describes procedures related to the submission and processing of Generation Interconnection Requests related to (a) Small Generation Resources, or (b) the increase in capability, by 20 MW or less over any period of 24 consecutive months, of an existing generation resource, for which Capacity Interconnection Rights are to be granted. Such resources may participate in the PJM energy and capacity markets and may, therefore, be used by load serving entities to meet capacity obligations imposed under the PJM Reliability Assurance Agreement. These procedures apply to generation resources which, when connected to the system, are expected to remain connected to the system for the normal life span of such a generation resource. These procedures do not apply to resources that are specifically being connected to the system temporarily, with the expectation that they will later be removed.

110.1 Application

A Generation Interconnection Customer desiring the interconnection of a new Generation Capacity Resource of 20 MW or less, or the increase in capacity by 20 MW or less of an Existing Generation Capacity Resource, must submit to the Transmission Provider a Generation Interconnection Request. The Transmission Provider shall acknowledge receipt of the Generation Interconnection Request (electronically when available to all parties, otherwise written) within five (5) business days after receipt of the request and shall attach a copy of the received Generation Interconnection Request to the Transmission Provider's acknowledgment.

1. Generation Interconnection Request Requirements.

- a. To be assigned a PJM Queue Position pursuant to section 201, a Generation Interconnection Customer must submit a complete and fully executed Generation Interconnection Feasibility Study Agreement, a form of which is located in the PJM Tariff, Attachment N. To be considered complete at the time of submission, the Interconnection Customer's Generation Interconnection Feasibility Study Agreement must include, at a minimum, each of the following:
 - (i) specification of the location of the proposed generating unit site or existing generating unit (include both a written description (e.g., street address, global positioning coordinates) and attach a map in PDF format depicting the property boundaries and the location of the generating unit site); and
 - (ii) evidence of an ownership interest in, or right to acquire or control the generating unit site for a minimum of two (2) years, such as a deed, option agreement, lease, or other similar document acceptable to the Transmission Provider; and
 - (iii) the MW size of the proposed generating unit or the amount of increase in MW capability of an existing generating unit, and identification of any MW portion of the facility's capability that will be a Capacity Resource; and

- (iv) identification of the fuel type of the proposed generating unit or upgrade thereto; and
- (v) a description of the equipment configuration, and a set of preliminary electrical design specifications, and, if the generating unit is a wind generation facility, then the set of preliminary electrical design specifications must depict the wind plant as a single equivalent generator; and
- (vi) the planned date the proposed generating unit or increase in MW capability of an existing generating unit will be in service, where such date is to be no more than seven years from the date that a complete and fully executed Generation Interconnection Feasibility Study Agreement is received by the Transmission Provider unless the Interconnection Customer demonstrates that engineering, permitting, and construction of the generating unit or increase in capability will take more than seven years; and
- (vii) any additional information as may be prescribed by the Transmission Provider in the PJM Manuals; and
- (viii) **If Behind the Meter Generation** is identified in the Generation Interconnection Feasibility Study Agreement, all of the requirements in section 36.1A of the PJM Tariff must also be met; and
- (ix) Deposit.
 - (1) A deposit shall be submitted to Transmission Provider, as follows:
 - a. A deposit of \$10,000 if the Generation Interconnection Request is received in the first four calendar months of the current New Services Queue; or
 - b. A deposit of \$12,000 if the Generation Interconnection Request is received in the fifth calendar month of the current New Services Queue; or
 - c. A deposit of \$15,000 if the Generation Interconnection Request is received in the sixth calendar month of the current New Services Queue.
 - (2) Ten percent (10%) of each total deposit amount is non-refundable. Any unused non-refundable deposit monies will be returned to the

Comment [s1]: Dave. . .any additional thoughts on this, i.e., must be met by when – before the deficiency response period ends? Any other detail that you want/need to provide here?

Generation Interconnection Customer upon Initial Operation. However, if, before reaching Initial Operation, the Generation Interconnection Customer withdraws its Generation Interconnection Request, or the Generation Interconnection Request is otherwise deemed rejected or terminated and withdrawn, any unused portion of the non-refundable deposit monies will be used to fund:

- i. Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices due to Transmission Provider, Interconnected Transmission Owner(s) and/or third party contractors, as applicable, as a result of any failure of the Interconnection Customer to pay actual costs for the Generation Interconnection Request and/or associated Queue Position; and/or
 - ii. Any restudies required as a result of the rejection, termination and/or withdrawal of such Generation Interconnection Request; and/or
 - iii. Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Generation Interconnection Requests by the Interconnection Customer.
- (3) Ninety percent (90%) of each total deposit amount is refundable, and the Transmission Provider will utilize, in no particular order, the refundable portion of each total deposit amount to cover the following:
- (i) The cost of the Queue Position acceptance review; and
 - (ii) The cost of the deficiency review of the Interconnection Customer's Generation Interconnection Request (to determine whether the Generation Interconnection Request is valid); and
 - (iii) The dollar amount of the Interconnection Customer's cost responsibility for the Generation Interconnection Feasibility Study; and
 - (iv) If the Generation Interconnection Request is deemed to be modified (pursuant to section 36.2A of Part VI of the PJM Tariff), rejected, terminated and/or withdrawn during the deficiency review and/or deficiency response

period, as described further below, or during the Feasibility Study period, the refundable deposit money will be applied to cover all of the costs incurred by the Transmission Provider up to the point of such Generation Interconnection Request being modified, rejected, terminated and/or withdrawn, and any remaining refundable deposit monies will be applied to cover:

- (a) The costs of any restudies required as a result of the modification (pursuant to section 36.2A of Part VI of the PJM Tariff), rejection, termination and/or withdrawal of such Generation Interconnection Request; and/or
 - (b) Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices due to Transmission Provider, Interconnected Transmission Owner(s) and/or third party contractors, as applicable, as a result of any failure of the Interconnection Customer to pay actual costs for the Generation Interconnection Request and/or associated Queue Position; and/or
 - (c) Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Generation Interconnection Requests by the Interconnection Customer.
 - (d) If any refundable deposit monies remain after all costs and outstanding monies owed, as described in this section, are covered, such remaining refundable deposit monies will be returned to the Generation Interconnection Customer in accordance with the PJM Manuals.
- (4) Upon completion of the Feasibility Study, the Transmission Provider will apply any remaining refundable deposit monies toward:
- (i) The Interconnection Customer's cost responsibility for any other studies conducted for the Generation Interconnection Request under Part VI of the PJM

Tariff, which will be applied prior to the deposit monies collected for such other studies; and/or

- (ii) Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Generation Interconnection Requests by the Interconnection Customer.
- (5) If any refundable deposit monies remain after the Feasibility Study is complete and any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Generation Interconnection Requests by the Interconnection Customer have been paid, such remaining deposit monies will be returned to the Generation Interconnection Customer.
- (6) The Interconnection Customer must submit the total required deposit amount with the Generation Interconnection Request. If the Interconnection Customer fails to submit the total required deposit amount with the Generation Interconnection Request, the Generation Interconnection Request shall be deemed to be terminated and withdrawn (i.e., the Generation Interconnection Request will be terminated prior to reaching the deficiency review stage).
- (7) Deposit monies are non-transferrable. Under no circumstances may refundable or non-refundable deposit monies for a specific Interconnection Request or Queue Position be applied in whole or in part to a different New Service Request, Interconnection Request or Queue Position.
2. Deficiency Review. Within five business days of the Interconnection Customer submitting a Generation Interconnection Request, Transmission Provider shall provide a deficiency review of the Generation Interconnection Request to determine whether the Interconnection Customer submitted a valid Generation Interconnection Request.
- a. With the exception of evidence of an ownership interest in, or right to acquire or control the generating unit site for a minimum of two (2) years, if a Generation Interconnection Request meets all requirements set forth above the Transmission Provider will start the deficiency review. Interconnection Customers that fail to provide site control evidence while their requests are available for deficiency review will not be assigned a Queue Position until the Transmission Provider receives site control evidence that is acceptable to the Transmission Provider.

- b. Pursuant to section 9, Cost Responsibility, of the Generation Interconnection Feasibility Study Agreement (PJM Tariff, Attachment N), if the Transmission Provider anticipates that the actual study costs will exceed the refundable portion of the required deposit, the Transmission Provider shall provide the Interconnection Customer with an estimate of the additional study costs. The estimated additional study costs are non-binding, and additional actual study costs may exceed the estimated additional study cost increases provided by the Transmission Provider. Regardless of whether the Transmission Provider provides the Interconnection Customer with estimated additional study costs, the Interconnection Customer is responsible for and must pay all actual study costs.
 - i. If the Transmission Provider sends the Interconnection Customer notification of estimated additional study costs during the deficiency review period (as described below), then the Interconnection Customer must either:
 - 1. Withdraw the Generation Interconnection Request during the deficiency response period (as described below); or
 - 2. Pay all estimated additional study costs prior to the expiration of the deficiency response period (as described below).
 - 3. If the Interconnection Customer fails to complete either (1) or (2) above, the Generation Interconnection Request shall be deemed terminated and withdrawn.
 - ii. If at any time after the deficiency review period the Transmission Provider provides the Interconnection Customer with notification of estimated additional study costs, the Interconnection Customer must pay such estimated additional study costs within ten (10) business days of Transmission Provider sending the Interconnection Customer notification of such estimated additional study costs. If the Interconnection Customer fails to pay such estimated additional study costs within ten (10) business days of Transmission Provider sending the Interconnection Customer notification of such estimated additional study costs, then the Generation Interconnection Request shall be deemed to be terminated and withdrawn.
- c. If there are deficiencies in the Generation Interconnection Request for any of the requirements set forth above, the Transmission Provider shall notify the Interconnection Customer (electronically when available to all parties, otherwise written) within five(5) business days of receipt of the Generation Interconnection Request that such Generation Interconnection Request is deficient. This notification is referred to as a deficiency notice.

- i. The deficiency notice shall clearly set forth the basis upon which the deficiency determination was made.
 - ii. The Interconnection Customer will be provided ten (10) business days to respond to the deficiency notice. This ten business day period is referred to as the deficiency response period.
 1. Within the deficiency response period, the Interconnection Customer shall provide, in full, the additional information and/or evidence (such as generation site control) and/or monies that the Transmission Provider's deficiency notice identified as being required to constitute a valid Generation Interconnection Request.
 2. If the Interconnection Customer fails to clear within the deficiency response period all deficiencies identified by the Transmission Provider in the deficiency notice, the Generation Interconnection Request shall be deemed to be terminated and withdrawn.
 - iii. Without regard to the timing of the Interconnection Customer's deficiency response period, the Transmission Provider shall have an additional five (5) business days to review each Interconnection Customer's response to the deficiency notice.
 1. If the Generation Interconnection Request is still deficient after the Transmission Provider's additional five (5) business day review and the full ten (10) business days of the Interconnection Customer's deficiency response period have expired, the Generation Interconnection Requests shall be deemed to be terminated and withdrawn.
 - iv. If the Interconnection Customer fails to respond in full to the Transmission Provider's deficiency notice (including failing to provide all of the additional required information, evidence and/or make payments on any outstanding invoices required by the Transmission Provider's deficiency notice), the Generation Interconnection Request shall be deemed to be terminated and withdrawn.
3. Because of the required Transmission Provider deficiency review periods (including the additional five (5) business days afforded to the Transmission Provider to review an Interconnection Customer's deficiency response) and the Interconnection Customer's ten (10) business day deficiency response period, as described above, a Generation Interconnection Request must be assigned a Queue Position by the Transmission Provider no later than one day before the fifteenth business day preceding the last day (close) of the relevant New Services Queue or the Generation Interconnection Request shall be

deemed to be terminated and withdrawn. Any Queue Position for which an Interconnection Customer has not cleared the deficiencies before the close of the relevant New Services Queue shall be deemed to be terminated and withdrawn, even if the deficiency response period for such Queue Position does not expire until after the close of the relevant New Services Queue.

4. In accordance with section 201 of Part VI of the PJM Tariff, Transmission Provider will assign Queue Positions as of the date and time of receipt of all information required pursuant to section 110.1. If the information required pursuant to section 110.1 is provided to the Transmission Provider in separate submissions, the Queue Position will be assigned based on the date and time of receipt of the last required piece of information.
5. Deficiency notices will be considered cleared as of the date and time the Transmission Provider receives from the Interconnection Customer the last piece of required information deemed acceptable by the Transmission Provider to clear such deficiency notice.
6. Transmission Provider Website Postings.
 - a. The Transmission Provider shall maintain on the Transmission Provider's website a list of all Generation Interconnection Requests that identifies:
 - i. The proposed maximum summer and winter megawatt electrical output;
 - ii. The location of the generation by county and state;
 - iii. The station or transmission line or lines where the interconnection will be made;
 - iv. The facility's projected date of Initial Operation;
 - v. The status of the Generation Interconnection Request, including its Queue Position;
 - vi. The type of Generation Interconnection Service requested;
 - vii. The availability of any studies related to the Interconnection Request;
 - viii. The date of the Generation Interconnection Request;
 - ix. The type of Generating Facility to be constructed (combined cycle, base load or combustion turbine and fuel type); and
 - x. For each Generation Interconnection Request that has not resulted in a completed interconnection, an explanation of why it was not completed.
 - b. This list will not disclose the identity of the Generation Interconnection Customer, except as otherwise provided in Part IV of the Tariff. The list and the priority of Generation Interconnection Requests shall be included on the website as part of the New Services Queue.

7. Small Generation Project Evaluation

Small Generation projects are to be evaluated against criteria which follow. In order to complete

the evaluation of the proposed project, it shall be necessary to complete a scoping meeting between the Interconnection Customer, Transmission Owner(s) and the Transmission Provider. The Interconnection Customer must identify the Point of Interconnection to be utilized in evaluation of the proposed project no later than the close of business on the next business day following the day on which the scoping meeting is held. If the project meets all portions of the following criteria, the project is eligible to enter the Alternate Queue Process discussed in section 112C. Failure to meet any one of the following criteria shall result in the projects inclusion in normal Feasibility, Impact, and Facilities studies, as required and discussed beginning in section 110.2. Criteria for inclusion in the Alternate Queue Process is as follows; (i) project cannot be connected to a PJM monitored transmission facility as defined in PJM Manual M-03, (ii) project cannot be an uprate or addition to an existing facility, (iii) project distribution factor for any PJM monitored transmission facility may not exceed 5 percent as evaluated against the case chosen to model the New Services Queue associated with the timing of the receipt of the Interconnection Request and the MW impact of the project cannot be greater than 1 percent of the element rating, (iv) project may not connect to the same Point of Interconnection as any other project, and (v) aggregate impact of all projects connecting on any individual radial connection to a PJM monitored transmission facility shall not exceed 1 percent of line rating.

110.2 Feasibility Study

Feasibility Study analyses can generally be expedited by examining a limited contingency set that focuses on the impact of the small capacity addition on contingency limits in the vicinity of the Generation Capacity Resource. Linear analysis tools are used to evaluate the impact of a small capacity addition with respect to compliance with the contingency criteria in the Applicable Standards. Generally, small capacity additions will have very limited and isolated impacts on system facilities. If criteria violations are observed, further AC testing is required. Short circuit calculations are performed for small resource additions to ensure that circuit breaker capabilities are not exceeded.

Once the Feasibility Study is completed, a Feasibility Study report will be prepared and transmitted to the Interconnection Customer along with a System Impact Study Agreement. In order to remain in the New Services Queue, the Interconnection Customer 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. In some cases, where no network impacts are identified and there are no other projects in the vicinity of the small resource addition, the System Impact Study may not be required and the project will proceed directly to the Facilities Study.

110.3 System Impact Study

As with the Feasibility Study, expedited analysis procedures will be utilized, where appropriate, in the course of the System Impact Study.

Generation deliverability is tested using linear analysis tools. In most cases, small capacity additions will have no impact on generator deliverability in an area. If violations are observed, more detailed testing using AC tools is required.

Stability analysis is generally not performed for small capacity additions. If the capacity of an existing generating resource is increased by 20 MW or less, stability will be evaluated for critical contingencies only if existing stability margins are small. New Generation Capacity Resources of 20 MW or less will only be evaluated if they are connected at a location where stability margins associated with existing resources are small.

Short circuit calculations are performed during the System Impact Study for small resource additions, taking into consideration all elements of the regional plan, to ensure that circuit breaker capabilities are not exceeded.

Once the System Impact Study is completed, a System Impact Study report will be prepared and transmitted to the Interconnection Customer along with a Facilities Study Agreement. In order to remain in the New Services Queue, the Interconnection Customer must return the executed Facilities Study Agreement within 30 days, along with a deposit in the amount of the estimated cost of the Facilities Study. The Interconnection Customer is responsible for all actual costs associated with the performance of the Facilities Study related to the request and will be billed for such costs following the completion of the Facilities Study. If no transmission system facilities are required, the Facilities Study may not be required and the project will proceed directly to the execution of an Interconnection Service Agreement.

110.4 Facilities Study

As with larger generation projects, facilities design work 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 as described in Part VI, Section 206. Transmission Provider will utilize the procedures set forth in Part VI, Section 207 for completing the Facilities Study. Within 30 calendar days of receiving the Facilities Study, the Interconnection Customer may provide written comments to Transmission Provider regarding the required upgrades identified in the Facilities Study which the Transmission Provider shall consider and include in the Facilities Study and/or the Interconnection Customer may request a meeting to discuss the results of the Facilities Study as specified in Part VI, Section 207.1. Upon request, Transmission Provider shall provide Interconnection Customer supporting documentation, workpapers, and databases or data developed in the preparation of the Facilities Study, subject to confidentiality arrangements as required by the 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. Facilities design for small capacity additions will be expedited to the extent possible. In most cases, few or no Network Upgrades will be required for small capacity additions. Attachment Facilities, for some small capacity additions, may, in part, be elements of a “turn key” installation. In such instances, the design of “turn key” attachments will be reviewed by the Interconnected Transmission Owners or their contractors.

110.5 Interconnection Service Agreement

As with larger generation projects, an Interconnection Service Agreement must be executed and filed with the FERC, as specified in Part VI, Section 212 and 214. The Interconnection Service Agreement identifies the obligations, on the part of the Interconnection Customer, to pay for transmission facilities required to facilitate the interconnection and the Capacity Interconnection Rights which are awarded to the Generation Capacity Resource.

In general, the execution of an Interconnection Service Agreement is no different for capacity additions of 20 MW or less than for larger Generation Capacity Resources. However, in instances where an increase of 20 MW or less to an Existing Generation Capacity Resource can be put in service immediately, a modified Interconnection Service Agreement may be executed. If such an increase is expedited through the System Impact Study phase, ahead of larger projects already in the New Services Queue, an Interconnection Service Agreement will be executed granting interim Capacity Interconnection Rights. These interim rights will allow the capacity increase to be implemented and the resource to participate in the capacity market until studies have been completed for earlier queued resources and all related obligations have been defined. At such time, the interim rights awarded the smaller capacity addition will become dependent on the construction of any required transmission facilities and the satisfaction of any financial obligations for those facilities. If, once those obligations are defined, the smaller capacity addition desires to retain the interim Capacity Interconnection Rights; a new Interconnection Service Agreement will be executed.

If a new Generation Capacity Resource of 20 MW or less can be quickly connected to the

system, interim Capacity Interconnection Rights can be awarded, as above, through the execution of a modified Interconnection Service Agreement.

110.6 Other Requirements

Requirements and application procedures related to PJM membership are specified in the PJM Manuals. Additionally, the PJM Manuals detail a range of operational requirements for generation owners related to, among other things, the need for control center facilities and modelling in the PJM Energy Management System and unit commitment tools.

111 Permanent Energy Resource Additions of 20 MW or Less But Greater Than 2MW (Synchronous) or Greater than 5 MW (Inverter-based)

This section describes procedures related to the submission and processing of requests related to the interconnection of Small Generation Resources that are greater than 2 MW (synchronous) or greater than 5 MW (inverter-based) or the increase in capability of 20 MW or less but greater than 2 MW (synchronous) or greater than 5 MW (inverter-based) of an existing generation resource, for which Capacity Interconnection Rights will not be granted. Such resources may participate in the PJM energy markets, but not in the PJM capacity markets. They may, therefore, not be used by load serving entities to meet capacity obligations imposed under the PJM Reliability Assurance Agreement. These procedures apply to generation resources which, when connected to the system, are expected to remain connected to the system for the normal life span of such a generation resource. These procedures do not apply to resources that are specifically being connected to the system temporarily, with the expectation that they will later be removed.

Section 112A describes the procedures related to the submission and processing of requests related to the interconnection of Small Generation Resources that are less than 2MW (synchronous) or 5MW (inverter based), and includes the eligibility considerations for fast track processing. In the event that such interconnection requests do not qualify for processing in accordance with the provisions of section 112A, they will be considered under the procedures described in this section 111, if applicable.

111.1 Application

The Interconnection Customer desiring the interconnection of a Small Generation Resource greater than 2 MW or the increase in capability, by 20 MW or less but greater than 2 MW (synchronous) or 5 MW (inverter-based) of an existing resource, must submit a to the Transmission Provider a Generation Interconnection Request. The Transmission Provider shall acknowledge receipt of the Generation Interconnection Request (electronically when available to all parties, otherwise written) within five (5) business days after receipt of the request and shall attach a copy of the received Generation Interconnection Request to the Transmission Provider's acknowledgment.

1. Generation Interconnection Request Requirements.

- a. To be assigned a PJM Queue Position pursuant to section 201, a Generation Interconnection Customer must submit a complete and fully executed Generation Interconnection Feasibility Study Agreement, a form of which is located in the PJM Tariff, Attachment N. To be considered complete at the time of submission, the Interconnection Customer's Generation Interconnection Feasibility Study Agreement must include, at a minimum, each of the following:
 - (i) specification of the location of the proposed generating unit site or existing generating unit (include both a written description (e.g., street address, global positioning coordinates) and attach a map in PDF format depicting the property boundaries and the location of the generating unit site); and

- (ii) evidence of an ownership interest in, or right to acquire or control the generating unit site for a minimum of two (2) years, such as a deed, option agreement, lease, or other similar document acceptable to the Transmission Provider; and
- (iii) the MW size of the proposed generating unit or the amount of increase in MW capability of an existing generating unit, and identification of any MW portion of the facility's capability that will be a Capacity Resource; and
- (iv) identification of the fuel type of the proposed generating unit or upgrade thereto; and
- (v) a description of the equipment configuration, and a set of preliminary electrical design specifications, and, if the generating unit is a wind generation facility, then the set of preliminary electrical design specifications must depict the wind plant as a single equivalent generator; and
- (vi) the planned date the proposed generating unit or increase in MW capability of an existing generating unit will be in service, where such date is to be no more than seven years from the date that a complete and fully executed Generation Interconnection Feasibility Study Agreement is received by the Transmission Provider unless the Interconnection Customer demonstrates that engineering, permitting, and construction of the generating unit or increase in capability will take more than seven years; and
- (vii) any additional information as may be prescribed by the Transmission Provider in the PJM Manuals; and
- (viii) If Behind the Meter Generation is identified in the Generation Interconnection Feasibility Study Agreement, all of the requirements in section 36.1A of the PJM Tariff must also be met; and
- (ix) Deposit.
 - (1) A deposit shall be submitted to Transmission Provider, as follows:
 - a. A deposit of \$10,000 if the Generation Interconnection Request is received in the first four calendar months of the current New Services Queue; or

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- b. A deposit of \$12,000 if the Generation Interconnection Request is received in the fifth calendar month of the current New Services Queue; or
 - c. A deposit of \$15,000 if the Generation Interconnection Request is received in the sixth calendar month of the current New Services Queue.
- (2) Ten percent (10%) of each total deposit amount is non-refundable. Any unused non-refundable deposit monies will be returned to the Generation Interconnection Customer upon Initial Operation. However, if, before reaching Initial Operation, the Generation Interconnection Customer withdraws its Generation Interconnection Request, or the Generation Interconnection Request is otherwise deemed rejected or terminated and withdrawn, any unused portion of the non-refundable deposit monies will be used to fund:
- i. Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices due to Transmission Provider, Interconnected Transmission Owner(s) and/or third party contractors, as applicable, as a result of any failure of the Interconnection Customer to pay actual costs for the Generation Interconnection Request and/or associated Queue Position; and/or
 - ii. Any restudies required as a result of the rejection, termination and/or withdrawal of such Generation Interconnection Request; and/or
 - iii. Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Generation Interconnection Requests by the Interconnection Customer.
- (3) Ninety percent (90%) of each total deposit amount is refundable, and the Transmission Provider will utilize, in no particular order, the refundable portion of each total deposit amount to cover the following:
- (i) The cost of the Queue Position acceptance review; and

- (ii) The cost of the deficiency review of the Interconnection Customer's Generation Interconnection Request (to determine whether the Generation Interconnection Request is valid); and
- (iii) The dollar amount of the Interconnection Customer's cost responsibility for the Generation Interconnection Feasibility Study; and
- (iv) If the Generation Interconnection Request is deemed to be modified (pursuant to section 36.2A of Part VI of the PJM Tariff), rejected, terminated and/or withdrawn during the deficiency review and/or deficiency response period, as described further below, or during the Feasibility Study period, the refundable deposit money will be applied to cover all of the costs incurred by the Transmission Provider up to the point of such Generation Interconnection Request being modified, rejected, terminated and/or withdrawn, and any remaining refundable deposit monies will be applied to cover:
 - (a) The costs of any restudies required as a result of the modification (pursuant to section 36.2A of Part VI of the PJM Tariff), rejection, termination and/or withdrawal of such Generation Interconnection Request; and/or
 - (b) Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices due to Transmission Provider, Interconnected Transmission Owner(s) and/or third party contractors, as applicable, as a result of any failure of the Interconnection Customer to pay actual costs for the Generation Interconnection Request and/or associated Queue Position; and/or
 - (c) Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Generation Interconnection Requests by the Interconnection Customer.
 - (d) If any refundable deposit monies remain after all costs and outstanding monies owed, as described in

this section, are covered, such remaining refundable deposit monies will be returned to the Generation Interconnection Customer in accordance with the PJM Manuals.

- (4) Upon completion of the Feasibility Study, the Transmission Provider will apply any remaining refundable deposit monies toward:
 - (i) The Interconnection Customer's cost responsibility for any other studies conducted for the Generation Interconnection Request under Part VI of the PJM Tariff, which will be applied prior to the deposit monies collected for such other studies; and/or
 - (ii) Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Generation Interconnection Requests by the Interconnection Customer.
- (5) If any refundable deposit monies remain after the Feasibility Study is complete and any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Generation Interconnection Requests by the Interconnection Customer have been paid, such remaining deposit monies will be returned to the Generation Interconnection Customer.
- (6) The Interconnection Customer must submit the total required deposit amount with the Generation Interconnection Request. If the Interconnection Customer fails to submit the total required deposit amount with the Generation Interconnection Request, the Generation Interconnection Request shall be deemed to be terminated and withdrawn (i.e., the Generation Interconnection Request will be terminated prior to reaching the deficiency review stage).
- (7) Deposit monies are non-transferrable. Under no circumstances may refundable or non-refundable deposit monies for a specific Interconnection Request or Queue Position be applied in whole or in part to a different New Service Request, Interconnection Request or Queue Position.

2. Deficiency Review. Within five business days of the Interconnection Customer submitting a Generation Interconnection Request, Transmission Provider shall provide a

deficiency review of the Generation Interconnection Request to determine whether the Interconnection Customer submitted a valid Generation Interconnection Request.

- a. With the exception of evidence of an ownership interest in, or right to acquire or control the generating unit site for a minimum of two (2) years, if a Generation Interconnection Request meets all requirements set forth above the Transmission Provider will start the deficiency review. Interconnection Customers that fail to provide site control evidence while their requests are available for deficiency review will not be assigned a Queue Position until the Transmission Provider receives site control evidence that is acceptable to the Transmission Provider.
- b. Pursuant to section 9, Cost Responsibility, of the Generation Interconnection Feasibility Study Agreement (PJM Tariff, Attachment N), if the Transmission Provider anticipates that the actual study costs will exceed the refundable portion of the required deposit, the Transmission Provider shall provide the Interconnection Customer with an estimate of the additional study costs. The estimated additional study costs are non-binding, and additional actual study costs may exceed the estimated additional study cost increases provided by the Transmission Provider. Regardless of whether the Transmission Provider provides the Interconnection Customer with estimated additional study costs, the Interconnection Customer is responsible for and must pay all actual study costs.
 - i. If the Transmission Provider sends the Interconnection Customer notification of estimated additional study costs during the deficiency review period (as described below), then the Interconnection Customer must either:
 1. Withdraw the Generation Interconnection Request during the deficiency response period (as described below); or
 2. Pay all estimated additional study costs prior to the expiration of the deficiency response period (as described below).
 3. If the Interconnection Customer fails to complete either (1) or (2) above, the Generation Interconnection Request shall be deemed terminated and withdrawn.
 - ii. If at any time after the deficiency review period the Transmission Provider provides the Interconnection Customer with notification of estimated additional study costs, the Interconnection Customer must pay such estimated additional study costs within ten (10) business days of Transmission Provider sending the Interconnection Customer notification of such estimated additional study costs. If the Interconnection Customer fails to pay such estimated additional study costs within ten (10) business days of Transmission Provider sending the Interconnection Customer notification of such estimated additional

study costs, then the Generation Interconnection Request shall be deemed to be terminated and withdrawn.

- c. If there are deficiencies in the Generation Interconnection Request for any of the requirements set forth above, the Transmission Provider shall notify the Interconnection Customer (electronically when available to all parties, otherwise written) within five(5) business days of receipt of the Generation Interconnection Request that such Generation Interconnection Request is deficient. This notification is referred to as a deficiency notice.
 - i. The deficiency notice shall clearly set forth the basis upon which the deficiency determination was made.
 - ii. The Interconnection Customer will be provided ten (10) business days to respond to the deficiency notice. This ten business day period is referred to as the deficiency response period.
 1. Within the deficiency response period, the Interconnection Customer shall provide, in full, the additional information and/or evidence (such as generation site control) and/or monies that the Transmission Provider's deficiency notice identified as being required to constitute a valid Generation Interconnection Request.
 2. If the Interconnection Customer fails to clear within the deficiency response period all deficiencies identified by the Transmission Provider in the deficiency notice, the Generation Interconnection Request shall be deemed to be terminated and withdrawn.
 - iii. Without regard to the timing of the Interconnection Customer's deficiency response period, the Transmission Provider shall have an additional five (5) business days to review each Interconnection Customer's response to the deficiency notice.
 1. If the Generation Interconnection Request is still deficient after the Transmission Provider's additional five (5) business day review and the full ten (10) business days of the Interconnection Customer's deficiency response period have expired, the Generation Interconnection Requests shall be deemed to be terminated and withdrawn.
 - iv. If the Interconnection Customer fails to respond in full to the Transmission Provider's deficiency notice (including failing to provide all of the additional required information, evidence and/or make payments on

any outstanding invoices required by the Transmission Provider's deficiency notice), the Generation Interconnection Request shall be deemed to be terminated and withdrawn.

3. Because of the required Transmission Provider deficiency review periods (including the additional five (5) business days afforded to the Transmission Provider to review an Interconnection Customer's deficiency response) and the Interconnection Customer's ten (10) business day deficiency response period, as described above, a Generation Interconnection Request must be assigned a Queue Position by the Transmission Provider no later than one day before the fifteenth business day preceding the last day (close) of the relevant New Services Queue or the Generation Interconnection Request shall be deemed to be terminated and withdrawn. Any Queue Position for which an Interconnection Customer has not cleared the deficiencies before the close of the relevant New Services Queue shall be deemed to be terminated and withdrawn, even if the deficiency response period for such Queue Position does not expire until after the close of the relevant New Services Queue.
4. In accordance with section 201 of Part VI of the PJM Tariff, Transmission Provider will assign Queue Positions as of the date and time of receipt of all information required pursuant to section 111.1. If the information required pursuant to section 111.1 is provided to the Transmission Provider in separate submissions, the Queue Position will be assigned based on the date and time of receipt of the last required piece of information.
5. Deficiency notices will be considered cleared as of the date and time the Transmission Provider receives from the Interconnection Customer the last piece of required information deemed acceptable by the Transmission Provider to clear such deficiency notice.
6. Transmission Provider Website Postings.
 - a. The Transmission Provider shall maintain on the Transmission Provider's website a list of all Generation Interconnection Requests that identifies:
 - i. The proposed maximum summer and winter megawatt electrical output;
 - ii. The location of the generation by county and state;
 - iii. The station or transmission line or lines where the interconnection will be made;
 - iv. The facility's projected date of Initial Operation;
 - v. The status of the Generation Interconnection Request, including its Queue Position;
 - vi. The type of Generation Interconnection Service requested;
 - vii. The availability of any studies related to the Interconnection Request;
 - viii. The date of the Generation Interconnection Request;

- ix. The type of Generating Facility to be constructed (combined cycle, base load or combustion turbine and fuel type); and
 - x. For each Generation Interconnection Request that has not resulted in a completed interconnection, an explanation of why it was not completed.
- b. This list will not disclose the identity of the Generation Interconnection Customer, except as otherwise provided in Part IV of the Tariff. The list and the priority of Generation Interconnection Requests shall be included on the website as part of the New Services Queue.

7. Small Generation Project Evaluation

Small Generation projects are to be evaluated against criteria which follow. In order to complete the evaluation of the proposed project, it shall be necessary to complete a scoping meeting between the Interconnection Customer, Transmission Owner(s) and the Transmission Provider. The Interconnection Customer must identify the Point of Interconnection to be utilized in evaluation of the proposed project no later than the close of business on the next business day following the day on which the scoping meeting is held. If the project meets all portions of the following criteria, the project is eligible to enter the Alternate Queue Process discussed in section 112C. Failure to meet any one of the following criteria shall result in the projects inclusion in normal Feasibility, Impact, and Facilities studies, as required and discussed beginning in section 111.2. Criteria for inclusion in the Alternate Queue Process is as follows; (i) project cannot be connected to the a PJM monitored transmission facility as defined in PJM Manual M-03, (ii) project cannot be an uprate or addition to an existing facility, (iii) project distribution factor for any PJM monitored transmission facility may not exceed 5 percent as evaluated against the case chosen to model the New Services Queue associated with the timing of the receipt of the Interconnection Request and the MW impact of the project cannot be greater than 1 percent of the element rating, (iv) project may not connect to the same Point of Interconnection as any other project, and (v) aggregate impact of all projects connecting on any individual radial connection to a PJM monitored transmission facility shall not exceed 1 percent of line rating.

111.2 Feasibility Study

Feasibility Study analyses can generally be expedited by examining a limited contingency set that focuses on the impact of the small Energy Resource addition on contingency limits in the vicinity of the resource. Linear analysis tools are used to evaluate the impact of a small Energy Resource addition with respect to compliance with the contingency criteria in the Applicable Standards. Generally, small resource additions will have very limited and isolated impacts on system facilities. If criteria violations are observed, further AC testing is required. Short circuit calculations are performed for small resource additions to ensure that circuit breaker capabilities are not exceeded.

Once the Feasibility Study is completed, a Feasibility Study report will be prepared and transmitted to the Interconnection Customer along with a System Impact Study Agreement. In order to remain in the New Services Queue, the Interconnection Customer 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. In some cases, where no network impacts are identified and there are no other projects in the vicinity of the small resource addition, the System Impact Study may

not be required and the project will proceed directly to the Facilities Study.

111.3 System Impact Study

As with the Feasibility Study, expedited analysis procedures will be utilized, where appropriate, in the course of the System Impact Study.

Load deliverability and generation deliverability tests are not performed for Energy Resources. Stability analysis is generally not performed for small capacity additions. If the capacity of an existing generating resource is increased by 20 MW or less, stability will be evaluated for critical contingencies only if existing stability margins are small. New Generation Capacity Resources of 20 MW or less will only be evaluated if they are connected at a location where stability margins associated with existing resources are small.

Short circuit calculations are performed during the System Impact Study for small resource additions, taking into consideration all elements of the regional plan, to ensure that circuit breaker capabilities are not exceeded.

Once the System Impact Study is completed, a System Impact Study report will be prepared and transmitted to the Interconnection Customer along with a Facilities Study Agreement. In order to remain in the New Services Queue, the Interconnection Customer must return the executed Facilities Study Agreement within 30 days, along with a deposit in the amount of the estimated cost of the Facilities Study. The Interconnection Customer is responsible for all actual costs associated with the performance of the Facilities Study related to the request and will be billed for such costs following the completion of the Facilities Study. If no transmission system facilities are required, the Facilities Study may not be required and the project will proceed directly to the execution of an Interconnection Service Agreement.

111.4 Facilities Study

As with larger generation projects, facilities design work 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 as described in Part VI, Section 206. Transmission Provider will utilize the procedures set forth in Part VI, Section 207 for completing the Facilities Study. Within 30 calendar days of receiving the Facilities Study, the Interconnection Customer may provide written comments to Transmission Provider regarding the required upgrades identified in the Facilities Study which the Transmission Provider shall consider and include in the Facilities Study and/or the Interconnection Customer may request a meeting to discuss the results of the Facilities Study as specified in Part VI, Section 207.1. Upon request, Transmission Provider shall provide Interconnection Customer supporting documentation, work papers, and databases or data developed in the preparation of the Facilities Study, subject to confidentiality arrangements as required by the 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. Facilities design for small Energy Resource additions will be expedited to the extent possible. In most cases, few or no Network Upgrades will be required for small Energy Resource additions.

Attachment Facilities, for some small Energy Resource additions, may, in part, be elements of a “turn key” installation. In such instances, the design of “turn key” attachments will be reviewed by the Interconnected Transmission Owners or their contractors.

111.5 Interconnection Service Agreement

As with larger generation projects, an Interconnection Service Agreement must be executed and filed with the FERC as specified in Part VI, Section 212 and 214. For an Energy Resource, the Interconnection Service Agreement identifies the interconnection and the rights of the Interconnection Customer to participate in the energy market as well as the obligations, on the part of the Interconnection Customer, to pay for transmission facilities required to facilitate the interconnection.

In general, the execution of an Interconnection Service Agreement is no different for Energy Resource additions of 20 MW or less than for larger Energy Resources. However, in instances where an increase of 20 MW or less to an existing resource can be put in service immediately, a modified Interconnection Service Agreement may be executed. If such an increase is expedited through the System Impact Study phase, ahead of larger projects already in the New Services Queue, an Interconnection Service Agreement will be executed granting an interim interconnection. This interim interconnection will allow the Energy Resource increase to be implemented and the resource to participate in the energy market until studies have been completed for earlier queued resources and all related obligations have been defined. At such time, the interim rights awarded the smaller Energy Resource addition will become dependent on the construction of any required transmission facilities and the satisfaction of any financial obligations for those facilities. If, once those obligations are defined, the smaller Energy Resource addition desires to retain its interconnection, a new Interconnection Service Agreement will be executed.

If a new Energy Resource of 20 MW or less can be quickly connected to the system, an interim interconnection can be facilitated, as above, through the execution of a modified Interconnection Service Agreement.

111.6 Other Requirements

Requirements and application procedures related to PJM membership are specified in the PJM Manuals. Additionally, the PJM Manuals detail a range of operational requirements for generation owners related to, among other things, the need for control center facilities and modeling in the PJM Energy Management System and unit commitment tools.

112 Temporary Energy Resource Additions of 20 MW or Less But Greater Than 2 MW (Synchronous) or Greater than 5 MW (Inverter-based)

This section describes procedures related to the submission and processing of requests related to the temporary interconnection of Small Generation Resources greater than 2 MW (synchronous) or 5 MW (inverter-based). These procedures apply to generation resources which can be quickly connected to the system in order to participate in the energy market and are connected with the expectation that they will be removed from the system within six months. Such resources may submit subsequent requests to modify or extend their interconnection status. The inherent assumptions justifying the greater degree of expedition in these procedures for temporary Energy Resources are (1) that such resources will typically only be interconnected to participate in the spot market to assist in meeting peak energy demand, and (2) that such resources will only be connected in situations where minimal or no transmission upgrades are required.

Section 112A describes the procedures related to the submission and processing of requests related to the interconnection of Small Generation Resources that are less than 2MW (synchronous) or 5MW (inverter based), and includes the eligibility considerations for fast track processing. In the event that such interconnection requests do not qualify for processing in accordance with the provisions of section 112A, they will be considered under the procedures described in this section 112, if applicable.

112.1 Application

The Generation Interconnection Customer desiring the interconnection of a temporary Energy Resource of 20 MW or less but greater than 2 MW (synchronous) or 5 MW (inverter-based) must submit to the Transmission Provider a Generation Interconnection Request. The Transmission Provider shall acknowledge receipt of the Generation Interconnection Request (electronically when available to all parties, otherwise written) within five (5) business days after receipt of the request and shall attach a copy of the received Generation Interconnection Request to the Transmission Provider's acknowledgment.

1. Generation Interconnection Request Requirements.
 - a. To be assigned a PJM Queue Position pursuant to section 201, a Generation Interconnection Customer must submit a complete and fully executed Generation Interconnection Feasibility Study Agreement, a form of which is located in the PJM Tariff, Attachment N. To be considered complete at the time of submission, the Interconnection Customer's Generation Interconnection Feasibility Study Agreement must include, at a minimum, each of the following:
 - (i) specification of the location of the proposed generating unit site or existing generating unit (include both a written description (e.g., street address, global positioning coordinates) and attach a map in PDF format depicting the property boundaries and the location of the generating unit site); and
 - (ii) evidence of an ownership interest in, or right to acquire or control the

generating unit site for a minimum of two (2) years, such as a deed, option agreement, lease, or other similar document acceptable to the Transmission Provider; and

- (iii) the MW size of the proposed generating unit or the amount of increase in MW capability of an existing generating unit, and identification of any MW portion of the facility's capability that will be a Capacity Resource; and
- (iv) identification of the fuel type of the proposed generating unit or upgrade thereto; and
- (v) a description of the equipment configuration, and a set of preliminary electrical design specifications, and, if the generating unit is a wind generation facility, then the set of preliminary electrical design specifications must depict the wind plant as a single equivalent generator; and
- (vi) the planned date the proposed generating unit or increase in MW capability of an existing generating unit will be in service, where such date is to be no more than seven years from the date that a complete and fully executed Generation Interconnection Feasibility Study Agreement is received by the Transmission Provider unless the Interconnection Customer demonstrates that engineering, permitting, and construction of the generating unit or increase in capability will take more than seven years; and
- (vii) any additional information as may be prescribed by the Transmission Provider in the PJM Manuals; and
- (viii) if Behind the Meter Generation is identified in the Generation Interconnection Feasibility Study Agreement, all of the requirements in section 36.1A of the PJM Tariff must also be met; and
- (ix) Deposit.

(1) A deposit shall be submitted to Transmission Provider, as follows:

- a. A deposit of \$10,000 if the Generation Interconnection Request is received in the first four calendar months of the current New Services Queue; or
- b. A deposit of \$12,000 if the Generation Interconnection Request is received in the fifth calendar month of the current New Services Queue; or

- c. A deposit of \$15,000 if the Generation Interconnection Request is received in the sixth calendar month of the current New Services Queue.
- (2) Ten percent (10%) of each total deposit amount is non-refundable. Any unused non-refundable deposit monies will be returned to the Generation Interconnection Customer upon Initial Operation. However, if, before reaching Initial Operation, the Generation Interconnection Customer withdraws its Generation Interconnection Request, or the Generation Interconnection Request is otherwise deemed rejected or terminated and withdrawn, any unused portion of the non-refundable deposit monies will be used to fund:
- i. Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices due to Transmission Provider, Interconnected Transmission Owner(s) and/or third party contractors, as applicable, as a result of any failure of the Interconnection Customer to pay actual costs for the Generation Interconnection Request and/or associated Queue Position; and/or
 - ii. Any restudies required as a result of the rejection, termination and/or withdrawal of such Generation Interconnection Request; and/or
 - iii. Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Generation Interconnection Requests by the Interconnection Customer.
- (3) Ninety percent (90%) of each total deposit amount is refundable, and the Transmission Provider will utilize, in no particular order, the refundable portion of each total deposit amount to cover the following:
- (i) The cost of the Queue Position acceptance review; and
 - (ii) The cost of the deficiency review of the Interconnection Customer's Generation Interconnection Request (to determine whether the Generation Interconnection Request is valid); and

- (iii) The dollar amount of the Interconnection Customer's cost responsibility for the Generation Interconnection Feasibility Study; and
- (iv) If the Generation Interconnection Request is deemed to be modified (pursuant to section 36.2A of Part VI of the PJM Tariff), rejected, terminated and/or withdrawn during the deficiency review and/or deficiency response period, as described further below, or during the Feasibility Study period, the refundable deposit money will be applied to cover all of the costs incurred by the Transmission Provider up to the point of such Generation Interconnection Request being modified, rejected, terminated and/or withdrawn, and any remaining refundable deposit monies will be applied to cover:
 - (a) The costs of any restudies required as a result of the modification (pursuant to section 36.2A of Part VI of the PJM Tariff), rejection, termination and/or withdrawal of such Generation Interconnection Request; and/or
 - (b) Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices due to Transmission Provider, Interconnected Transmission Owner(s) and/or third party contractors, as applicable, as a result of any failure of the Interconnection Customer to pay actual costs for the Generation Interconnection Request and/or associated Queue Position; and/or
 - (c) Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Generation Interconnection Requests by the Interconnection Customer.
 - (d) If any refundable deposit monies remain after all costs and outstanding monies owed, as described in this section, are covered, such remaining refundable deposit monies will be returned to the Generation Interconnection Customer in accordance with the PJM Manuals.

- (4) Upon completion of the Feasibility Study, the Transmission Provider will apply any remaining refundable deposit monies toward:
 - (i) The Interconnection Customer's cost responsibility for any other studies conducted for the Generation Interconnection Request under Part VI of the PJM Tariff, which will be applied prior to the deposit monies collected for such other studies; and/or
 - (ii) Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Generation Interconnection Requests by the Interconnection Customer.
- (5) If any refundable deposit monies remain after the Feasibility Study is complete and any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Generation Interconnection Requests by the Interconnection Customer have been paid, such remaining deposit monies will be returned to the Generation Interconnection Customer.
- (6) The Interconnection Customer must submit the total required deposit amount with the Generation Interconnection Request. If the Interconnection Customer fails to submit the total required deposit amount with the Generation Interconnection Request, the Generation Interconnection Request shall be deemed to be terminated and withdrawn (i.e., the Generation Interconnection Request will be terminated prior to reaching the deficiency review stage).
- (7) Deposit monies are non-transferrable. Under no circumstances may refundable or non-refundable deposit monies for a specific Interconnection Request or Queue Position be applied in whole or in part to a different New Service Request or Interconnection Request or Queue Position.

2. Deficiency Review. Within five business days of the Interconnection Customer submitting a Generation Interconnection Request, Transmission Provider shall provide a deficiency review of the Generation Interconnection Request to determine whether the Interconnection Customer submitted a valid Generation Interconnection Request.
 - a. With the exception of evidence of an ownership interest in, or right to acquire or control the generating unit site for a minimum of two (2) years, if a Generation Interconnection Request meets all requirements set forth above the

Transmission Provider will start the deficiency review. Interconnection Customers that fail to provide site control evidence while their requests are available for deficiency review will not be assigned a Queue Position until the Transmission Provider receives site control evidence that is acceptable to the Transmission Provider.

- b. Pursuant to section 9, Cost Responsibility, of the Generation Interconnection Feasibility Study Agreement (PJM Tariff, Attachment N), if the Transmission Provider anticipates that the actual study costs will exceed the refundable portion of the required deposit, the Transmission Provider shall provide the Interconnection Customer with an estimate of the additional study costs. The estimated additional study costs are non-binding, and additional actual study costs may exceed the estimated additional study cost increases provided by the Transmission Provider. Regardless of whether the Transmission Provider provides the Interconnection Customer with estimated additional study costs, the Interconnection Customer is responsible for and must pay all actual study costs.
 - i. If the Transmission Provider sends the Interconnection Customer notification of estimated additional study costs during the deficiency review period (as described below), then the Interconnection Customer must either:
 - 1. Withdraw the Generation Interconnection Request during the deficiency response period (as described below); or
 - 2. Pay all estimated additional study costs prior to the expiration of the deficiency response period (as described below).
 - 3. If the Interconnection Customer fails to complete either (1) or (2) above, the Generation Interconnection Request shall be deemed terminated and withdrawn.
 - ii. If at any time after the deficiency review period the Transmission Provider provides the Interconnection Customer with notification of estimated additional study costs, the Interconnection Customer must pay such estimated additional study costs within ten (10) business days of Transmission Provider sending the Interconnection Customer notification of such estimated additional study costs. If the Interconnection Customer fails to pay such estimated additional study costs within ten (10) business days of Transmission Provider sending the Interconnection Customer notification of such estimated additional study costs, then the Generation Interconnection Request shall be deemed to be terminated and withdrawn.

- c. If there are deficiencies in the Generation Interconnection Request for any of the requirements set forth above, the Transmission Provider shall notify the Interconnection Customer (electronically when available to all parties, otherwise written) within five(5) business days of receipt of the Generation Interconnection Request that such Generation Interconnection Request is deficient. This notification is referred to as a deficiency notice.
 - i. The deficiency notice shall clearly set forth the basis upon which the deficiency determination was made.
 - ii. The Interconnection Customer will be provided ten (10) business days to respond to the deficiency notice. This ten business day period is referred to as the deficiency response period.
 - 1. Within the deficiency response period, the Interconnection Customer shall provide, in full, the additional information and/or evidence (such as generation site control) and/or monies that the Transmission Provider's deficiency notice identified as being required to constitute a valid Generation Interconnection Request.
 - 2. If the Interconnection Customer fails to clear within the deficiency response period all deficiencies identified by the Transmission Provider in the deficiency notice, the Generation Interconnection Request shall be deemed to be terminated and withdrawn.
 - iii. Without regard to the timing of the Interconnection Customer's deficiency response period, the Transmission Provider shall have an additional five (5) business days to review each Interconnection Customer's response to the deficiency notice.
 - 1. If the Generation Interconnection Request is still deficient after the Transmission Provider's additional five (5) business day review and the full ten (10) business days of the Interconnection Customer's deficiency response period have expired, the Generation Interconnection Requests shall be deemed to be terminated and withdrawn.
 - iv. If the Interconnection Customer fails to respond in full to the Transmission Provider's deficiency notice (including failing to provide all of the additional required information, evidence and/or make payments on any outstanding invoices required by the Transmission Provider's deficiency notice), the Generation Interconnection Request shall be deemed to be terminated and withdrawn.

3. Because of the required Transmission Provider deficiency review periods (including the additional five (5) business days afforded to the Transmission Provider to review an Interconnection Customer's deficiency response) and the Interconnection Customer's ten (10) business day deficiency response period, as described above, a Generation Interconnection Request must be assigned a Queue Position by the Transmission Provider no later than one day before the fifteenth business day preceding the last day (close) of the relevant New Services Queue or the Generation Interconnection Request shall be deemed to be terminated and withdrawn. Any Queue Position for which an Interconnection Customer has not cleared the deficiencies before the close of the relevant New Services Queue shall be deemed to be terminated and withdrawn, even if the deficiency response period for such Queue Position does not expire until after the close of the relevant New Services Queue.
4. In accordance with section 201 of Part VI of the PJM Tariff, Transmission Provider will assign Queue Positions as of the date and time of receipt of all information required pursuant to section 112.1. If the information required pursuant to section 112.1 is provided to the Transmission Provider in separate submissions, the Queue Position will be assigned based on the date and time of receipt of the last required piece of information.
5. Deficiency notices will be considered cleared as of the date and time the Transmission Provider receives from the Interconnection Customer the last piece of required information deemed acceptable by the Transmission Provider to clear such deficiency notice.
6. Because temporary Energy Resources are not granted any long term rights with respect to the transmission system, such requests will not be identified in the New Services Queue on the PJM website. A separate queue of such requests will be maintained in order to facilitate processing.

7. Small Generation Project Evaluation

Small Generation projects are to be evaluated against criteria which follow. In order to complete the evaluation of the proposed project it shall be necessary to complete a scoping meeting between the Interconnection Customer, Transmission Owner(s) and the Transmission Provider. The Interconnection Customer must identify the Point of Interconnection to be utilized in evaluation of the proposed project no later than the close of business on the next business day following the day on which the scoping meeting is held. If the project meets all portions of the following criteria, the project is eligible to enter the Alternate Queue Process discussed in section 112C. Failure to meet any one of the following criteria shall result in the projects inclusion in normal Feasibility, Impact, and Facilities studies, as required and discussed beginning in section 112.2. Criteria for inclusion in the Alternate Queue Process is as follows; (i) project cannot be

connected to the a PJM monitored transmission facility as defined in PJM Manual M-03, (ii) project cannot be an uprate or addition to an existing facility, (iii) project distribution factor for any PJM monitored transmission facility may not exceed 5 percent as evaluated against the case chosen to model the New Services Queue associated with the timing of the receipt of the Interconnection Request and the MW impact of the project cannot be greater than 1 percent of the element rating, (iv) project may not connect to the same Point of Interconnection as any other project, and (v) aggregate impact of all projects connecting on any individual radial connection to a PJM monitored transmission facility shall not exceed 1 percent of line rating.

112.2 Feasibility/Impact/Facilities Study

Limited power flow analyses will be performed to ensure that local contingency criteria are not violated.

Load deliverability and generation deliverability tests are not performed for Energy Resources.

Stability analysis will only be performed if temporary Energy Resources are connected at a location where stability margins associated with existing resources are small.

Short circuit calculations are performed for small resource additions to ensure that circuit breaker capabilities are not exceeded.

It is expected that the attachment of temporary Energy Resources will be based on “turn key” installations. Transmission Provider may contract with consultants, including the Interconnected Transmission Owners, or contractors acting on their behalf, to evaluate the engineering details of the physical attachment as well as the relaying and metering associated with the resource.

112.3 Interconnection Service Agreement

A modified Interconnection Service Agreement will be executed and filed with the FERC as specified in Part VI, Section 212 and 214, identifying the obligations and rights related to the interconnection of a temporary Energy Resource. Such agreement will identify the interconnection of the resource, cost responsibility for transmission system upgrades, if any, and the date when the temporary interconnection will expire.

112.4 Other Requirements

Membership and application fees will be waived for parties wishing to interconnect temporary Energy Resources, if they are not otherwise required based on a party’s participation in PJM. Additionally, control center facilities and modeling requirements are also waived. However, temporary Energy Resources must have hourly integrated energy meters to facilitate payment for sales to the PJM spot market. Meter readings are also required to adjust hourly loads to accurately determine transmission and capacity obligations of load serving entities.

112A Permanent or Temporary Energy Resources of 2 MW or Less (Synchronous) or 5 MW or Less (Inverter-based).

Fast Track Eligibility

The screens process is available to an Interconnection Customer proposing to interconnect its Energy Resource with the Transmission Provider's system if the Energy Resource capacity does not exceed the size limits identified in the table below. Energy Resources below these limits are eligible for the screens process. However, eligibility is distinct from the screens process itself, and eligibility does not imply or indicate that an Energy Resource will pass the screens in section 112A.2 below or the Supplemental Review screens in section 112A.5.3 below.

Eligibility is determined based upon the generator type, the size of the generator, voltage of the line and the location of and the type of line at the Point of Interconnection. All Energy Resources connecting to lines greater than 69 kilovolt (kV) are ineligible for this process regardless of size. All synchronous and induction machines must be no larger than 2 MW to be eligible for this process, regardless of location. For certified inverter-based systems, the size limit varies according to the voltage of the line at the proposed Point of Interconnection. Certified inverter-based Energy Resources located within 2.5 electrical circuit miles of a substation and on a mainline (as defined in the table below) are eligible for this process under the higher thresholds according to the table below. In addition to the size threshold, the Interconnection Customer's proposed Energy Resource must meet the codes, standards and certification requirements of Attachments Z and AA of this Tariff. Alternatively, the Transmission Provider has to have reviewed the design or tested the proposed Energy Resource and is satisfied that it is safe to operate.

Fast Track Eligibility for Inverter-Based Systems

Line Voltage

112A Eligibility

Regardless of Location

112A Eligibility on a Mainline¹ and ≤

2.5 Electrical Circuit Miles from

Substation

²

< 5 kV ≤ 500 kW ≤ 500 kW

≥ 5 kV and < 15 kV ≤ 2 MW ≤ 3 MW

≥ 15 kV and < 30 kV ≤ 3 MW ≤ 4 MW

≥ 30 kV and ≤ 69 kV ≤ 4 MW ≤ 5 MW

In the event that such an Energy Resource does not meet such certification requirements, the request for interconnection of the Energy Resource shall be processed under section 111 or 112 above, as applicable.

¹ For purposes of this table, a mainline is the three-phase backbone of a circuit. It will typically constitute lines with wire sizes of 4/0 American wire gauge, 336.4 kcmil, 397.5 kcmil, 477 kcmil and 795 kcmil.

² An Interconnection Customer can determine this information about its proposed interconnection location in advance by requesting a pre-application report pursuant to section 1.2.

Energy Resources requesting interconnection under this Section 112A may be expedited ahead of larger projects already in the New Services Queue. In such instance, the Energy Resource shall be able to participate in the energy market until the studies have been completed for the earlier queued projects and all related obligations have been defined. At such time as these

studies are completed and reveal additional obligations required of the Energy Resource interconnected under this Section 112A, a revised Interconnection Service Agreement shall be executed.

112A.1 Application

The Interconnection Customer desiring the interconnection of a new permanent or temporary Energy Resource of 2MW or less (synchronous) or 5 MW or less (inverter-based) must submit to the Transmission Provider an Interconnection Request. The Transmission Provider shall acknowledge receipt of the Interconnection Request (electronically when available to all parties, otherwise written) within five (5) business days after receipt of the request and shall attach a copy of the received Interconnection Request to the Transmission Provider's acknowledgment.

1. Interconnection Request Requirements.

- a. To be assigned a PJM Queue Position pursuant to section 201, an Interconnection Customer must submit a complete and fully executed Form of Screens Process Interconnection Request (For Generation Facilities of 2MW or Less Synchronous 5MW or Less Inverter-Based), a form of which is located in the PJM Tariff, Attachment Y. To be considered complete at the time of submission, the Interconnection Customer's Form of Screens Process Interconnection Request (For Generation Facilities of 2MW or Less Synchronous 5MW or Less Inverter-Based) must include, at a minimum, each of the following:

- (i) Interconnection Customer Information; and
- (ii) Energy Resource Information; and
- (iii) Energy Resource Characteristic Data; and
- (iv) Interconnection Facilities Information; and
- (v) Diagrams and Site Control; and
- (vi) Deposit.

(1) A deposit shall be submitted to Transmission Provider, as follows:

- a. A deposit of \$2,000 if the Interconnection Request is received in the first four calendar months of the current New Services Queue; or
- b. A deposit of \$3,000 if the Interconnection Request is received in the fifth calendar month of the current New Services Queue; or

- c. A deposit of \$5,000 if the Interconnection Request is received in the sixth calendar month of the current New Services Queue.
- (2) Ten percent (10%) of each total deposit amount is non-refundable. Any unused non-refundable deposit monies will be returned to the Interconnection Customer upon Initial Operation. However, if, before reaching Initial Operation, the Interconnection Customer withdraws its Interconnection Request, or the Interconnection Request is otherwise deemed rejected or terminated and withdrawn, any unused portion of the non-refundable deposit monies will be used to fund:
 - i. Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices due to Transmission Provider, Interconnected Transmission Owner(s) and/or third party contractors, as applicable, as a result of any failure of the Interconnection Customer to pay actual costs for the Interconnection Request and/or associated Queue Position or Alternate Queue Process; and/or
 - ii. Any restudies required as a result of the rejection, termination and/or withdrawal of such Interconnection Request; and/or
 - iii. Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Generation Interconnection Requests and/or Queue Positions or Alternate Queue Process by the Interconnection Customer.
- (3) Ninety percent (90%) of each total deposit amount is refundable, and the Transmission Provider will utilize, in no particular order, the refundable portion of each total deposit amount to cover the following:
 - (i) The cost of the screens evaluation and/or supplemental screens evaluations; and
 - (ii) The cost of Alternate Queue Process studies; and

- (iii) The dollar amount of the Interconnection Customer's cost responsibility for the Interconnection Feasibility Study; and
- (iv) If the Interconnection Request is deemed to be modified (pursuant to section 36.2A of Part VI of the PJM Tariff), rejected, terminated and/or withdrawn during the deficiency review and/or deficiency response period, as described further below, or during the screens evaluation period, the refundable deposit money will be applied to cover all of the costs incurred by the Transmission Provider up to the point of such Interconnection Request being modified, rejected, terminated and/or withdrawn, and any remaining refundable deposit monies will be applied to cover:
 - (a) The costs of any restudies required as a result of the modification (pursuant to section 36.2A of Part VI of the PJM Tariff), rejection, termination and/or withdrawal of such Interconnection Request; and/or
 - (b) Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices due to Transmission Provider, Interconnected Transmission Owner(s) and/or third party contractors, as applicable, as a result of any failure of the Interconnection Customer to pay actual costs for the Interconnection Request and/or associated Queue Position; and/or
 - (c) Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Generation Interconnection Requests and/or Queue Positions or Alternate Queue Process by the Interconnection Customer.
 - (d) If any refundable deposit monies remain after all costs and outstanding monies owed, as described in this section, are covered, such remaining refundable deposit monies will be returned to the Interconnection Customer in accordance with the PJM Manuals.

- (4) Upon completion of the screens evaluations and/or Alternate Queue Process studies, the Transmission Provider will apply any remaining refundable deposit monies toward:
 - (iii) The Interconnection Customer's cost responsibility for any other studies conducted for the Interconnection Request under Part VI of the PJM Tariff, which will be applied prior to the deposit monies collected for such other studies; and/or
 - (iv) Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Generation Interconnection Requests and/or Queue Positions or Alternate Queue Process by the Interconnection Customer.
- (5) If any refundable deposit monies remain after the screens evaluations and/or Alternate Queue Process studies are complete and any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Generation Interconnection Requests and/or Queue Positions or Alternate Queue Process by the Interconnection Customer have been paid, such remaining deposit monies will be returned to the Interconnection Customer.
- (6) The Interconnection Customer must submit the total required deposit amount with the Interconnection Request. If the Customer fails to submit the total required deposit amount with the Interconnection Request, the Interconnection Request shall be deemed to be terminated and withdrawn (i.e., the Interconnection Request will be terminated prior to reaching the screens evaluations and/or deficiency review stage).
- (7) Deposit monies are non-transferrable. Under no circumstances may refundable or non-refundable deposit monies for a specific Interconnection Request or Queue Position or Alternate Queue Position be applied in whole or in part to a different New Service Request or Interconnection Request or Queue Position or Alternate Queue Position.

2. Deficiency Review. Within five business days of the Interconnection Customer submitting an Interconnection Request, the Transmission Provider shall provide a

deficiency review of the Interconnection Request to determine whether the Interconnection Customer submitted a valid Interconnection Request.

- a. If an Interconnection Request meets all of the requirements set forth above, the Transmission Provider will start the deficiency review.
- b. If there are deficiencies in the Interconnection Request for any of the requirements set forth above, the Transmission Provider shall notify the Interconnection Customer (electronically when available to all parties, otherwise written) within five(5) business days of receipt of the Interconnection Request that such Interconnection Request is deficient. This notification is referred to as a deficiency notice.
 - i. The deficiency notice shall clearly set forth the basis upon which the deficiency determination was made.
 - ii. The Interconnection Customer will be provided ten (10) business days to respond to the deficiency notice. This ten business day period is referred to as the deficiency response period.
 1. Within the deficiency response period, the Interconnection Customer shall provide, in full, the additional information and/or evidence and/or monies that the Transmission Provider's deficiency notice identified as being required to constitute a valid Interconnection Request.
 2. If the Interconnection Customer fails to clear within the deficiency response period all deficiencies identified by the Transmission Provider in the deficiency notice, the Interconnection Request shall be deemed to be terminated and withdrawn.
 - iii. Without regard to the timing of the Interconnection Customer's deficiency response period, the Transmission Provider shall have an additional five (5) business days to review each Interconnection Customer's response to the deficiency notice.
 1. If the Generation Interconnection Request is still deficient after the Transmission Provider's additional five (5) business day review and the full ten (10) business days of the Interconnection Customer's deficiency response period have expired, the Interconnection Requests shall be deemed to be terminated and withdrawn.
 - iv. If the Interconnection Customer fails to respond in full to the Transmission Provider's deficiency notice (including failing to provide all

of the additional required information, evidence and/or make payments on any outstanding invoices required by the Transmission Provider's deficiency notice), the Generation Interconnection Request shall be deemed to be terminated and withdrawn.

3. Because of the required Transmission Provider deficiency review periods (including the additional five (5) business days afforded to the Transmission Provider to review an Interconnection Customer's deficiency response) and the Interconnection Customer's ten (10) business day deficiency response period, as described above, an Interconnection Request must be assigned a Queue Position by the Transmission Provider no later than one day before the fifteenth business day preceding the last day (close) of the relevant New Services Queue or the Interconnection Request shall be deemed to be terminated and withdrawn. Any Queue Position for which an Interconnection Customer has not cleared the deficiencies before the close of the relevant New Services Queue shall be deemed to be terminated and withdrawn, even if the deficiency response period for such Queue Position does not expire until after the close of the relevant New Services assigned.
4. In accordance with section 201 of Part VI of the PJM Tariff, Transmission Provider will assign Queue Positions as of the date and time of receipt of all information required pursuant to section 112A. If the information required pursuant to section 112A is provided to the Transmission Provider in separate submissions, the Queue Position will be assigned based on the date and time of receipt of the last required piece of information.
5. Deficiency notices will be considered cleared as of the date and time the Transmission Provider receives from the Interconnection Customer the last piece of required information deemed acceptable by the Transmission Provider to clear such deficiency notice.
6. Transmission Provider Website Postings.
 - a. The Transmission Provider shall maintain on the Transmission Provider's website a list of all Interconnection Requests that identifies:
 - i. The proposed maximum summer and winter megawatt electrical output;
 - ii. The location of the generation by county and state;
 - iii. The station or transmission line or lines where the interconnection will be made;
 - iv. The facility's projected date of Initial Operation;
 - v. The status of the Interconnection Request, including its Queue Position;
 - vi. The type of Interconnection Service requested;
 - vii. The availability of any studies related to the Interconnection Request;
 - viii. The date of the Interconnection Request;

- ix. The type of Generating Facility to be constructed (combined cycle, base load or combustion turbine and fuel type); and
 - x. For each Interconnection Request that has not resulted in a completed interconnection, an explanation of why it was not completed.
- b. This list will not disclose the identity of the Interconnection Customer, except as otherwise provided in Part IV of the Tariff. The list and the priority of Interconnection Requests shall be included on the website as part of the New Services Queue.

- a. **112A.2 Screens.** Subject to the Interconnection Customer, Transmission Provider and Interconnected Transmission Owner(s) mutually agreeing to reasonable extension of time beyond fifteen (15) business days, which agreement shall not be unreasonably withheld, within fifteen (15) business days of the Interconnection Customer submitting an Interconnection Request pursuant to section 112A.1 above, Transmission Provider in consultation with the relevant Interconnected Transmission Owner(s) shall: Provide a screens review/evaluation of the Interconnection Request using the screens set forth below; and
- b. Notify the Interconnection Customer of the results of the initial review/evaluation and inform the Interconnection Customer whether supplemental screens evaluations must be performed; and
- c. Provide the Interconnection Customer with the analysis and data underlying the Transmission Provider's determinations pursuant to the screens set forth below.

112A.2.1 The proposed interconnection must be on a portion of the Interconnected Transmission Owner's distribution facilities located in the PJM Region and the output of the Customer Facility to be used for wholesale sales in the PJM Region. Distribution facilities shall include facilities that are non-networked, often lower voltage facilities that carry power in one direction, but does not include sub transmission facilities.

112A.2.2 For interconnection of a proposed Energy Resource to a radial distribution circuit, the aggregated generation, including the proposed Energy Resource on the circuit shall not exceed 15% of the line section annual peak load as most recently measured at the substation. A line section is that portion of an Interconnected Transmission Owner's electric system connected to a customer and bounded by automatic sectionalizing devices or the end of the distribution line.

112A.2.3 For interconnection of a proposed Energy Resource to the load side of spot network protectors, the proposed Energy Resource must utilize an inverter-based equipment package and, together with the aggregated other inverter-based generation, shall not exceed the smaller of 5% of a spot network's maximum load or 50 kW.

112A.2.4 The proposed Energy Resource, in aggregation with other generation on the distribution circuit, shall not contribute more than 10% to the distribution circuit's maximum fault current at the point on the high voltage (primary) level nearest the proposed point of change of ownership.

112A.2.5 The proposed Energy Resource, in aggregate with other generation on the distribution circuit, shall not cause any distribution protective devices and equipment (including, but not limited to, substation breakers, fuse cutouts, and line reclosers), or Interconnection Customer equipment on the system to exceed 87.5 % of the short circuit interrupting capability; nor shall the proposed interconnection be accepted for a circuit that already exceeds 87.5 % of the short circuit interrupting capability.

112A.2.6 Using the table below, Transmission Provider, in consultation with the Interconnected Transmission Owner, shall determine the type of interconnection to a primary distribution line. This screen includes a review of the type of electrical service provided to the

Interconnecting Customer, including line configuration and the transformer connection to limit the potential for creating over-voltages on the Interconnected Transmission Owner's electric power system due to a loss of ground during the operating time of any anti- islanding function.

Primary Distribution Line

Type

Type of Interconnection to

Primary Distribution Line

Result/Criteria

Three-phase, three wire 3-phase or single phase, phaseto-phase

Pass screen

Three-phase, four wire Effectively-grounded 3 phase or

Single-phase, line-to-neutral

Pass screen

112A.2.7 If the proposed Energy Resource is to be interconnected on single-phase shared secondary, the aggregate generation capacity on the shared secondary, including the proposed Energy Resource, shall not exceed 20 kW.

112A.2.8 If the proposed Energy Resource is single-phase and is to be interconnected on a center tap neutral of a 240 volt service, its addition shall not create an imbalance between the two sides of the 240 volt service of more than 20 % of the nameplate rating of the service transformer.

112A.2.9 The proposed Energy Resource, in aggregate with other generation interconnected to the transmission side of a substation transformer feeding the circuit where the Energy Resource proposes to interconnect shall not exceed 10 MW in an area where there are known, or posted, transient stability limitations to generating units located in the general electrical vicinity (e.g., three or four transmission busses from the point of interconnection).

112A.2.10 No construction of facilities by the Interconnected Transmission Owner on its own system shall be required to accommodate the Energy Resource.

112A.3 Results of Screens

112A.3.1 If the proposed interconnection passes the screens set forth in section 112A.1 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. In the event that the Transmission Provider is unable to provide Interconnection Customer with an executable Interconnection Service Agreement within five business days, it shall provide Interconnection Customer with reasonable notification of the delay, including the reasons for the delay and the date it anticipates being able to provide the executable Interconnection Service Agreement. Interconnection Customer shall execute the Interconnection Service Agreement, request dispute resolution, or request that the Interconnection Service Agreement be filed unexecuted in accordance with section 212.4 of this Tariff.

112A.3.2 If the proposed interconnection of the Energy Resource fails the screens set forth in section 112A.1 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. In the event that the Transmission Provider is unable to provide Interconnection Customer with an executable Interconnection Service Agreement within five business days, it shall provide Interconnection Customer with reasonable notification of the delay, including the reasons for the delay and the date it anticipates being able to provide the executable Interconnection Service Agreement. Interconnection Customer shall execute the Interconnection Service Agreement, request dispute resolution, or request that the Interconnection Service Agreement be filed unexecuted in accordance with section 212.4 of this Tariff.

112A.3.3 If the proposed interconnection of the Energy Resource fails the screens set forth in section 112A.1 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.

112A.4 Customer Options Meeting

112A.4.1 If the Transmission Provider determines that the Interconnection Request cannot be approved without: (1) minor modifications at minimal cost; (2) a supplemental study or other additional studies or actions; or (3) incurring at significant cost to address safety, reliability, or power quality problems, the Transmission Provider shall notify the Interconnection Customer of that determination within five business days and provide copies of all data and analyses underlying its conclusion. Within ten business days of the Transmission Provider's determination, the Transmission Provider shall offer to convene a customer options meeting with the Transmission Provider and the Transmission Owner to review possible Customer Facility modifications or the screens analysis and related results, to determine what further steps are needed to permit the Energy Resource to be connected safely and reliably. At the time of notification of the Transmission Provider's determination, or at the customer options meeting, the Transmission Provider and Transmission Owner, as applicable, shall:

112A.4.1.1 Offer to perform facility modifications or minor modifications to the Transmission System (e.g., changing meters, fuses, relay settings) and provide a non-binding good faith estimate of the limited cost to make such modifications to the Transmission System. If the Interconnection Customer agrees to pay for the modifications to the Transmission Provider's system, the Transmission Provider will provide the Interconnection Customer with an executable Interconnection Service Agreement within ten business days of the customer options meeting; or

112A.4.1.2 Offer to perform a supplemental review in accordance with section 112A.5 , and provide a non-binding good faith estimate of the costs of such review; or

112A.4.1.3 Obtain the Interconnection Customer's agreement to continue evaluating the Interconnection Request under sections 111 or 112 of the Tariff (irrespective of the resource size limitations stated therein), as applicable.

112A.5 Supplemental Review

112A.5.1 To accept the offer of a supplemental review, the Interconnection Customer shall agree in writing, and submit a deposit for the estimated costs of the supplemental review in the amount of the Transmission Provider's good faith estimate of the costs of such review (recognizing that such amount may be adjusted by the amount of deposits already held by the Transmission Provider in connection with the Interconnection Request) both within 15 business days of the offer. If the written agreement and additional deposit (if required) have not been received by the Transmission Provider within that timeframe, the Interconnection Request shall continue to be evaluated under Section 111 or 112 of this Subpart G (irrespective of the resource size limitation set forth therein) unless it is withdrawn by the Interconnection Customer.

112A.5.2 The Interconnection Customer may specify the order in which the Transmission Provider will complete the screens in section 112A.5.4.

112A.5.3 Within 30 business days following receipt of the deposit for a supplemental review, the Transmission Provider shall: (1) perform a supplemental review using the screens set forth below; (2) notify, in writing, the Interconnection Customer of the results; and (3) include with the notification copies of the analysis and data underlying the Transmission Provider's determinations under the screens. Unless the Interconnection Customer provided instructions for how to respond to the failure of any of the supplemental review screens below at the time the Interconnection Customer accepted the offer of supplemental review, the Transmission Provider shall notify the Interconnection Customer following the failure of any of the screens, or if it is unable to perform the screen in section 112A.5.3.1, within two business days of making such a determination to obtain the Interconnection Customer's permission to: (1) continue evaluating the proposed interconnection under this section 112A.5.3; (2) terminate the supplemental review and continue evaluating the Energy Resource under section 111 or 112 (irrespective of the resource size limitation set forth therein), as applicable; or (3) terminate the supplemental review upon withdrawal of the Interconnection Request by the Interconnection Customer.

112A.5.3.1 Minimum Load Screen: Where 12 months of line section minimum load data (including onsite load but not station service load served by the proposed small Energy Resource) are available, can be calculated, can be estimated from existing data, or determined from a power flow model, the aggregate Generating Facility capacity on the line section is less than 100% of the minimum load for all line sections bounded by automatic sectionalizing devices upstream of the proposed small Energy Resource. If minimum load data is not available, or cannot be calculated, estimated or determined, the Transmission Provider shall include the reason(s) that it is unable to calculate, estimate or determine minimum load in its supplemental review results notification under section 112A.5.3.

112A.5.3.1.1 The type of generation used by the proposed Energy Resource will be taken into account when calculating, estimating, or determining circuit or line section minimum load relevant for the application of screen 112A.5.3.1. Solar photovoltaic (PV) generation systems with no battery storage use daytime minimum load (i.e., 10 a.m. to 4 p.m. for fixed panel systems and 8 a.m. to 6 p.m.

for PV systems utilizing tracking systems), while all other generation uses absolute minimum load.

112A.5.3.1.2 When this screen is being applied to an Energy Resource that services some station service load, only the net injection into the Transmission Provider's electric system will be considered as part of the aggregate generation.

112A.5.3.1.3 Transmission Provider will not consider as part of the aggregate generation for purposes of this screen generating facility capacity known to be already reflected in the minimum load data.

112A.5.3.2 Voltage and Power Quality Screen: In aggregate with existing generation on the line section: (1) the voltage regulation on the line section can be maintained in compliance with relevant requirements under all system conditions; (2) the voltage fluctuation is within acceptable limits as defined by Institute of Electrical and Electronics Engineers (IEEE) Standard 1453, or utility practice similar to IEEE Standard 1453; and (3) the harmonic levels meet IEEE Standard 519 limits.

112A.5.3.3 Safety and Reliability Screen: The location of the proposed small Energy Resource and the aggregate generation capacity on the line section do not create impacts to safety or reliability that cannot be adequately addressed without application of the Study Process. The Transmission Provider shall give due consideration to the following and other factors in determining potential impacts to safety and reliability in applying this screen.

112A.5.3.3.1 Whether the line section has significant minimum loading levels dominated by a small number of customers (e.g., several large commercial customers).

112A.5.3.3.2 Whether the loading along the line section is uniform or even.

112A.5.3.3.3 Whether the proposed small Energy Resource is located in close proximity to the substation (i.e., less than 2.5 electrical circuit miles), and whether the line section from the substation to the Point of Interconnection is a Mainline rated for normal and emergency ampacity.

112A.5.3.3.4 Whether the proposed small Energy Resource incorporates a time delay function to prevent reconnection of the generator to the system until system voltage and frequency are within normal limits for a prescribed time.

112A.5.3.3.5 Whether operational flexibility is reduced by the proposed small Energy Resource, such that transfer of the line section(s) of the small Energy Resource to a neighboring distribution circuit/substation may trigger overloads or voltage issues.

112A.5.3.3.6 Whether the proposed small Energy Resource employs equipment or systems certified by a recognized standards organization to address technical issues such as, but not limited to, islanding, reverse power flow, or voltage quality.

112A.5.3.4 If the proposed interconnection passes the supplemental screens in sections 112A.5.3.1, 112A.5.3.2, and 112A.5.3.3 above, the Interconnection Request shall be approved and the Transmission Provider will provide the Interconnection Customer with an executable Interconnection Service Agreement within the timeframes established in section 112A.5.3.4.1 and 112A.5.3.4.2 below. If the proposed interconnection fails any of the supplemental review screens and the Interconnection Customer does not withdraw its Interconnection Request, it shall continue to be evaluated under section 111 or 112 (irrespective of the resource size limitation set

forth therein) consistent with section 112A.5.3.4.3 below

112A.5.3.4.1 If the proposed interconnection passes the supplemental screens in sections 112A.5.3.1, 112A.5.3.2 and 112A.5.3.3 above and does not require construction of facilities by the Transmission Provider on its own system, the Interconnection Service Agreement shall be provided within ten business days after notification of the supplemental review results.

112A.5.3.4.2 If interconnection facilities or minor modifications to the Transmission Provider's system are required for the proposed interconnection to pass the supplemental screens in sections 112A.5.3.1, 112A.5.3.2 and 112A.5.3.3 above, and the Interconnection Customer agrees to pay for the modifications to the Transmission Provider's electric system, the Interconnection Service Agreement, along with a nonbinding good faith estimate for the interconnection facilities and/or minor modifications, shall be provided to the Interconnection Customer within 15 business days after receiving written notification of the supplemental review results.

112A.5.3.4.3 If the proposed interconnection would require more than interconnection facilities or minor modifications to the Transmission Provider's system to pass the supplemental screens in sections 112A.5.3.1, 112A.5.3.2 and 112A.5.3.3 above, the Transmission Provider shall notify the Interconnection Customer, at the same time it notifies the Interconnection Customer with the supplemental review results, that the Interconnection Request shall be evaluated under Sections 111 and 112 (irrespective of the resource size limitation set forth therein) unless the Interconnection Customer withdraws its request.

112B Certified Inverter-Based Small Generating Facilities No Larger Than 10 kW

This section describes the procedures related to the submission and processing of requests related to the interconnection of Small Inverter Facilities.

112B.1 Application

An Interconnection Customer desiring the interconnection of a Small Inverter Facility must submit to Transmission Provider an executed Attachment BB - Form of Interconnection Service Agreement for Certified Inverter-Based Generating Facility (“Small Inverter ISA”) and a nonrefundable processing fee of \$500. Attachment BB is available on the PJM web site. In the Small Inverter ISA, Interconnection Customer shall provide, among other things, (i) contact information for itself and any other entity that may be interfacing with Transmission Provider on its behalf; and (ii) the legal names of the owner(s) of the Small Inverter Facility, including the percentage ownership (if any) by any utility or public utility holding company, or by any entity owned by either. Transmission Provider shall acknowledge that it received the Small Inverter ISA within three business days of receipt. Within ten business days, Transmission Provider shall notify Interconnection Customer that the Small Inverter ISA is complete or identify any deficiencies that need to be addressed.

112B.2 Verification of Interconnection

Within 15 business days of notification to the Interconnection Customer that its Small Inverter ISA is complete, Transmission Provider shall notify Interconnection Customer whether its Small Inverter Facility can be interconnected safely and reliably. Transmission Provider shall make this determination using the screens set forth in section 112A of this Tariff. In the event that the Transmission Provider determines that the Small Inverter Facility can be safely and reliably interconnected, Transmission Provider shall tender the Small Inverter ISA to the Interconnected Transmission Owner for execution. The Interconnected Transmission Owner shall have five business days to execute the Small Inverter ISA and return it to Transmission Provider. Transmission Provider then will provide the Interconnected Parties with the Small Inverter ISA. In the event an Interconnection Party does not execute the Small Inverter ISA, the Interconnection Customer may request the agreement be filed unexecuted with the FERC or alternative dispute resolution in accordance with section 212.4 of this Tariff.

112B.3 Certificate of Completion and Inspection

112B.3.1 Upon receipt of an executed Small Inverter ISA, the Interconnection Customer may commence construction (including operational testing not to exceed two hours) of its Small Inverter Facility. After completion of the Small Inverter Facility, Interconnection Customer shall provide Transmission Provider with a completed Attachment CC - Form of Certificate of Completion.

112B.3.2 Prior to parallel operation, Transmission Provider and/or Interconnected Transmission Owner may inspect the Small Inverter Facility for compliance with standards, which may include a witness test. All inspections by Transmission Provider and/or the Interconnected Transmission Owner shall be at its own expense, within ten business days after receipt of the completed Certificate of Completion and shall take place at a time agreeable to the

Transmission Provider and/or Interconnected Transmission Owner and the Interconnection Customer. Unless otherwise agreed by the Transmission Provider and/or the Interconnected Transmission Owner and the Interconnection Customer, if the Transmission Provider and/or the Interconnected Transmission Owner do not schedule an inspection of the Small Inverter Facility within ten business days after receipt of the completed Certificate of Completion, the right to inspection, including the witness test, is waived. Transmission Provider and/or the Interconnected Transmission Owner shall provide a written statement that the Small Inverter Facility has passed inspection or shall notify the Interconnection Customer of what steps are necessary to pass inspection as soon as practicable after the inspection takes place.

112B.4 Interconnection and Operation

112B.4.1 The Interconnection Customer may interconnect and operate the Small Inverter Facility after all of the following have occurred:

- (a) Upon completing construction, the Interconnection Customer has caused the Small Inverter Facility to be inspected or otherwise certified by the appropriate local electrical wiring inspector with jurisdiction, and
- (b) The Interconnection Customer provides Transmission Provider with a completed Certificate of Completion, and
- (c) In accordance with section 112B.3(b) of this Tariff, the Transmission Provider and/or Interconnected Transmission Owner has either completed its inspection of the Small Inverter Facility to ensure that all equipment has been appropriately installed and that all electrical connections have been made in accordance with applicable codes or has waived such inspection.

112B.4.2 Transmission Provider and/or the Interconnected Transmission Owner shall have the right to disconnect the Small Inverter Facility in the event of improper installation of the Small Inverter Facility, an unsatisfactory witness test, or failure to return a completed Certificate of Completion.

112B.4.3 Revenue quality metering equipment must be installed at the Small Inverter Facility and tested in accordance with applicable ANSI standards. Prior to parallel operation of the Small Inverter Facility, Transmission Provider and/or Interconnected Transmission Owner may schedule appropriate metering replacement, if necessary.

112B.5 Safe Operations and Maintenance

The Interconnection Customer shall be fully responsible to operate, maintain, and repair the Small Inverter Facility as required to ensure that it complies at all times with the interconnection standards to which it has been certified.

112B.6 Access

Transmission Provider and/or the Interconnected Transmission Owner shall have ready access to the disconnecting means and metering equipment of the Small Inverter Facility at all times. Transmission Provider and/or Interconnected Transmission Owner shall provide reasonable notice to the Interconnection Customer when possible prior to using its right of access.

112B.7 Disconnection

112B.7.1 The Transmission Provider and/or the Interconnected Transmission Owner may

temporarily disconnect a Small Inverter Facility upon the following conditions:

- (a) For scheduled outages upon reasonable notice.
- (b) For unscheduled outages or emergency conditions.
- (c) If the Small Inverter Facility does not operate in the manner consistent with the terms and conditions of section 112B of this Tariff or applicable PJM Manuals.

112B.7.2 Transmission Provider shall inform the Interconnection Customer in advance of any scheduled disconnection, or as is reasonable after an unscheduled disconnection.

112B.8 Indemnification

The Transmission Provider, Interconnected Transmission Owner, and the Interconnection Customer shall at all times indemnify, defend, and save the other party harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other party's action or inactions relating to its obligations under this section 112B of this Tariff on behalf of the indemnifying party, except in cases of gross negligence or intentional wrongdoing by the indemnified party.

112B.9 Insurance

An Interconnection Customer interconnecting a Small Inverter Facility shall maintain commercially reasonable amounts of general liability insurance and additionally shall follow all applicable insurance requirements imposed by the state in which the Point of Interconnection is located. All insurance policies must be maintained with insurers authorized to do business in that state. The amount and type of insurance to be evidenced by an insurance certificate. All other insurance requirements in section 13 of Appendix 2 of Attachment O of this Tariff and 11 of Appendix 2 of Attachment P of this Tariff are applicable to certified inverter-based small generating facilities no larger than 10 kilowatts.

112B.10 Limitation of Liability

Transmission Provider's, Interconnected Transmission Owner's, and Interconnection Customer's liability to the other party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of its obligations under section 112B of this Tariff shall be limited to the amount of direct damage actually incurred. In no event shall either party be liable to the other party for any indirect, incidental, special, consequential, or punitive damages of any kind whatsoever, except as allowed under section 112B.8 of this Tariff.

112B.11 Termination

A Small Inverter Facility ISA and parallel operation pursuant to this section 112B may be terminated under the following conditions:

- (a) **By the Interconnection Customer.** By providing written notice to the Transmission Provider and the Interconnected Transmission Owner.
- (b) **By the Transmission Provider.** If the Small Inverter Facility fails to operate for any consecutive 12 month period or the Interconnection Customer fails to remedy a violation of the terms of this section 112B or the Small Inverter ISA.
- (c) **Permanent Disconnection.** In the event that a Small Inverter ISA or parallel operation under this section 112B is terminated, the Transmission Provider and/or Inter connected

Transmission Owner shall have the right to disconnect its facilities or direct the Interconnection Customer to disconnect its Small Inverter Facility.

(d) Survival Rights. The Small Inverter ISA shall continue in effect after termination of parallel operation of the Small Inverter Facility or the Small Inverter ISA to the extent necessary to allow or require the party[ies] to fulfill rights or obligations that arose under this section 112B and the Small Inverter ISA.

112B.12 Assignment/Transfer of Ownership of the Small Inverter Facility

A Small Inverter Facility ISA shall survive the transfer of ownership of the Small Inverter Facility to a new owner when the new owner agrees in writing to comply with the terms of the Small Inverter Facility ISA and so notifies the Transmission Provider and Interconnected Transmission Owner.

112C Alternate Queue Process

Upon receipt of an Interconnection Request associated with the proposal of new generation facilities and following the determination set forth in sections 110.1.1, 111.1.1, or 112.1.1, a new Interconnection Request may be evaluated under the terms set forth in the Alternate Queue Process, under this section 112C. The evaluation of Interconnection Requests under the Alternate Queue Process shall be conducted by the Transmission Owner(s) under the direction of the Transmission Provider. The evaluation of these projects (i) may include study processes similar to those as described as Generation Feasibility Study, System Impact Study, and Facilities Study, (ii) shall include studies as required to ensure the reliable planning and operation of the applicable power system, (iii) shall have engineering studies conducted by the appropriate Transmission Owner(s). The studies listed in this section 112C shall include thermal studies, short circuit studies, stability studies, and additional appropriate studies as required for the reliable integration of the Interconnection Request. The Transmission Provider shall monitor and coordinate completion of any studies required under this Alternate Queue Process. The studies conducted under this Alternate Queue Process shall be completed in a timely manner. In the case of the Feasibility Study portion of the Alternate Queue Process studies, the Transmission Provider shall perform these studies two times each year. For Interconnection Requests received during the six-month period ending October 31 the Transmission Provider shall use due diligence to complete Interconnection Feasibility Studies by the last day of February. For Interconnection Requests received during the six-month period ending April 30 the Transmission Provider shall use due diligence to complete Interconnection Feasibility Studies by August 31. Following the closure of an interconnection queue on October 31 and April 30, the Transmission Provider will utilize the following one month period to conduct any remaining scoping meetings and assemble the necessary analysis models so as to initiate the performance of the Interconnection Feasibility Studies on December 1 and June 1, respectively. In the case of a System Impact Study portion of the Alternate Queue Process studies, the Transmission Provider shall perform these studies each year commencing on (i) June 1, for New Service Requests received between May 1 and October 31 of the previous year, (ii) December 1, for New Service Requests received between November 1 of the previous year, and April 30 of the same year. The Transmission Provider shall use due diligence to complete the System Impact Studies within 120 days of the date the study commences. In the event that the Transmission Provider is unable to complete an Interconnection Feasibility Study and/or the System Impact Study within such time periods, it shall so notify the affected Interconnection Customer and the affected Transmission Owner(s) and provide an estimated completion date along with an explanation of the reasons why additional time is needed to complete the study.. In the event that the Transmission Provider anticipates that the Interconnection Customer's study cost responsibility will substantially exceed the deposit, the Transmission Provider shall provide the Interconnection Customer with an estimate of the study costs and the Interconnection Customer's cost responsibility. Within ten (10) business days of receiving such estimate, the Interconnection Customer may withdraw its Interconnection Request by providing written notice to the Transmission Provider, in which event the deposit paid to Transmission Provider shall be refunded. Unless the Interconnection Request is withdrawn within ten (10) business days, the Interconnection Customer agrees to pay the amount of its actual cost responsibility and will pay additional deposits as required to meet the estimated study cost. If the Interconnection Customer fails to provide the required additional deposit within ten (10) business days, the Interconnection Request shall be deemed terminated and withdrawn.

VI. ADMINISTRATION AND STUDY OF NEW SERVICE REQUESTS; RIGHTS ASSOCIATED WITH CUSTOMER-FUNDED UPGRADES

References to section numbers in this Part VI refer to sections of this Part VI, unless otherwise specified.

Preamble

Part VI of the Tariff sets forth the procedures and other terms governing the Transmission Provider's administration of the New Services Queue; procedures and other terms regarding studies and other processing of New Service Requests; the nature and timing of the agreements required in connection with studies and construction of required facilities; and terms and conditions relating to the rights available to New Service Customers in consideration of their payments for Customer-Funded Upgrades.

200 Applicability:

Part VI of the Tariff applies (a) to an Interconnection Request, upon the Transmission Provider's determination in an Interconnection Feasibility Study that a System Impact Study is needed to evaluate the facilities required to accommodate the requested interconnection; (b) to a Completed Application for new transmission service, upon the Transmission Provider's determination in an Initial Study that a System Impact Study is needed to evaluate the facilities required to provide the requested service; and (c) to Upgrade Requests, upon the Transmission Provider's receipt of a completed request containing all applicable information in the form required by Attachment EE to the Tariff. Notwithstanding the foregoing sentence, however, the provisions of Subpart G of Part IV shall govern with respect to Generation Interconnection Requests that involve (i) proposed new generation resources having capability of 20 MW or less, or (ii) increases of 20 MW or less to the capability of existing generation resources, except where, and only to the extent, otherwise expressly provided herein.

201 Queue Position:

Each New Service Request shall be assigned a priority, or Queue Position, based on the date and time all required information and requisite deposits are received, i.e., Queue Positions will be assigned on a first-come, first-served basis. The

Queue Position of each Interconnection Request and each Completed Application shall be assigned in accordance with the applicable terms of Part II, Part III, or Part IV. The Queue Position of each Upgrade Request shall be the date of Transmission Provider's receipt of all applicable information required by Attachment EE of the Tariff. Subject to the applicable terms of the Tariff, all New Service Requests shall be processed as part of a single New Services Queue, except where such projects have been assigned to a subsequent queue pursuant to Sections 36.1.01, 36.1.03, 36.2A.1.2, 36.2A.2, 110, 111, 112 or 112A, in which case such projects will be studied as part of a single

New Services Queue with such subsequent queue. With the exception of Interconnection Requests pursuant to section 112, the Transmission Provider shall publish the New Services Queue on its website identifying each pending New Service Request and its status as and to the extent consistent with applicable terms of the Tariff. For the purpose of determining the amount of a New Service Customer's cost responsibility for the construction of necessary facilities or upgrades to accommodate its New Service Request, a New Service Request that is deemed terminated and withdrawn under this Part VI or other applicable terms of the Tariff shall concurrently lose its Queue Position and will not be included in any further studies. Nothing in this Section 201, however, precludes an entity from later submitting another New Service Request or resubmitting a withdrawn or terminated New Service Request and receiving a new Queue Position in accordance with the applicable sections 36.1.01, 36.1.03, 36.2A.1.2, 36.2A.2, 110, 111, 112 or 112A.

201.1 Transferability of Queue Position:

A New Service Customer may transfer its Queue Position to another entity only if, (a) in the case of a transfer by an Interconnection Customer, the other entity acquires the rights to the same Point(s) of Interconnection identified in the Interconnection Request, or, (b) in the case of a transfer by any other New Service Customer, the acquiring entity accepts, as applicable, the same receipt and delivery points or the same source and sink as stated in the transferor's New Service Request.

Subpart A – System Impact Studies and Facilities Studies for New Service Requests

202 Coordination with Affected Systems:

The Transmission Provider will coordinate with Affected System Operators the conduct of any studies required to determine the impact of a New Service Request on any Affected System and, if possible, will include those results in its New Service Studies within the time frames specified in this Part VI. The Transmission Provider will invite such Affected System Operators to participate in all meetings held with the Interconnection Customer as required by Part VI. The Interconnection Customer will cooperate with the Transmission Provider in all matters related to the conduct of studies by Affected System Operators and the determination of modifications to Affected Systems needed to accommodate the Interconnection Request. Transmission Provider shall contact any potential Affected System and shall provide information regarding each relevant New Service Request as required for the Affected System Operator's studies of the effects of such request. A provider of transmission services on a system that may be an Affected System shall cooperate with the Transmission Provider in all matters related to the conduct of studies and the determination of modifications to Affected Systems related to New Service Requests under the Tariff.

203 System Impact Study Agreement:

Transmission Provider shall conduct System Impact Studies pursuant to a System Impact Study Agreement with each affected New Service Customer. The form of the System Impact Study Agreement is included in Attachment N-1 of the Tariff. Pursuant to the System Impact Study Agreement, the New Service Customer shall agree to reimburse the Transmission Provider for the cost of a System Impact Study.

203.1 Cost Responsibility:

The System Impact Study Agreement tendered by the Transmission Provider will clearly specify the Transmission Provider's estimate (determined in coordination with the affected Transmission Owner(s)) of the cost and time required for completion of the study in which the New Service Request is being evaluated and the New Service Customer's cost responsibility for that study. The charges to all affected New Service Customers shall not exceed the actual cost of the System Impact Study. In performing the System Impact Study, the Transmission Provider shall rely, to the extent reasonably practicable, on existing transmission planning studies. New Service Customers will not be assessed a charge for such existing studies; however, a New Service Customer will be responsible for charges associated with any modifications to existing planning studies that are reasonably necessary to evaluate the impact of such customer's New Service Request. In the event more than one New Service Request is evaluated in a single System Impact Study, the cost of such study shall be allocated among the participating New Service Customers such that (i) each Interconnection Customer pays 100 percent of the study costs associated with evaluating the Attachment Facilities necessary to accommodate its Interconnection Request; (ii) each Eligible Customer pays 100 percent of the study costs associated with evaluating the Direct Assignment Facilities necessary to accommodate its Completed Application for new transmission service; and (iii) each New Service Customer pays the study costs associated with evaluating the Local Upgrades and/or Network Upgrades necessary to accommodate its New Service Request in proportion to its projected cost responsibility (as determined in the Interconnection Feasibility Study or the Initial Study) for such upgrades. In the event that a New

Service Customer's responsibility for the actual cost of the System Impact Study under this section is less than the deposit provided with its executed System Impact Study Agreement, the unexpended balance of its deposit shall be refunded, with interest determined at the applicable rate under the Commission's regulations.

203.1.1 Transmission Owners:

For System Impact Studies that the Transmission Provider conducts on behalf of a Transmission Owner, the Transmission Owner shall record the cost of the System Impact Studies pursuant to Section 8.

204 Tender of System Impact Study Agreement:

204.1 Completed Applications:

After completing an Initial Study regarding a Completed Application for new transmission service, the Transmission Provider shall determine on a non-discriminatory basis whether a System Impact Study is required to accommodate the requested transmission service. If the Transmission Provider determines that a System Impact Study is necessary to accommodate the requested service, it shall so inform the Eligible Customer as soon as practicable. In such cases, the Transmission Provider shall, upon completion of the Initial Study, tender a System Impact Study Agreement pursuant to which the Eligible Customer shall agree to reimburse the Transmission Provider for the required System Impact Study. For a Completed Application to retain its Queue Position, the Eligible Customer (i) shall execute the System Impact Study Agreement and 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. If the Eligible Customer elects not to execute the System Impact Study Agreement, its Completed Application shall be deemed terminated and withdrawn, and its deposit provided pursuant to Section 17.3 shall be returned, with interest.

204.2 Upgrade Requests:

After receiving an Upgrade Request pursuant to section 7.8 of Schedule 1 of the Operating Agreement, the Transmission Provider shall determine on a non-discriminatory basis whether a System Impact Study is required to evaluate the request. If the Transmission Provider determines that a System Impact Study is necessary, it shall so inform the Upgrade Customer as soon as practicable. In such cases, the Transmission Provider shall, within thirty (30) days of receipt of a valid and complete Upgrade Request, tender a System Impact Study Agreement pursuant to which the Upgrade Customer shall agree to reimburse the Transmission Provider for the required System Impact Study. For an Upgrade Request to retain its Queue Position, the Upgrade Customer (i) shall execute the System Impact Study Agreement and 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. If the Upgrade Customer elects not to execute the System Impact Study Agreement, its Upgrade Request shall be deemed terminated and withdrawn.

204.3 Interconnection Requests:

Upon completion of the Interconnection Feasibility Study, the Transmission Provider shall tender to the affected Interconnection Customer a System Impact Study Agreement. 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 return it to the Transmission Provider, (ii) shall remit to Transmission Provider all past due amounts of the actual Feasibility Study costs exceeding the Feasibility Study deposit fee contained in Sections 36.1.02, 36.1.03, 110.1, 111.1, and 112.1 of the Tariff, if any, (iii) shall pay the Transmission Provider a deposit as provided in 204.3A below, (iv) shall identify the Point(s) of Interconnection, and (v) in the case of a Generation Interconnection Customer, shall (A) demonstrate that it has made an initial application for the necessary air emission permits, if any, for its proposed generation, (B) specify whether it desires to interconnect its generation to the Transmission System as a Capacity Resource or an Energy Resource, (C) provide required machine modeling data as specified in the PJM Manuals, (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 (E) notify the Transmission Provider if it seeks to use Capacity Interconnection Rights in accordance with section 230.3.3; or, (vi) in the case of a Transmission Interconnection Customer, shall (A) provide Transmission Provider with evidence of an ownership interest in, or right to acquire or control, the site(s) where major equipment (e.g., a new transformer or D.C. converter stations) would be installed, such as a deed, option agreement, lease, or other similar document acceptable to the Transmission Provider; (B) demonstrate in a manner acceptable to Transmission Provider that it holds rights to use (or an option to obtain such rights) any existing facilities of the Transmission System that are necessary for construction of the proposed Merchant Transmission Facilities; and (C) provide required modeling data as specified in the PJM Manuals. If an Interconnection Customer fails to comply with any of the applicable listed requirements, its Interconnection Request shall be deemed terminated and withdrawn, however in the event that the information required per (v) (C), (v) (D), or (vi) (C) above is provided and deemed to be deficient by the Transmission Provider, Interconnection Customer may provide additional information acceptable to the Transmission Provider within 10 business days. Failure of the Interconnection Customer to provide information identified as being deficient within 10 business days shall result in the Interconnection Request being terminated and withdrawn. If a terminated and withdrawn Interconnection Request was to be included in a System Impact Study evaluating more than one New Service Request, then the costs of the System Impact Study shall be redetermined and reallocated among the remaining participating New Service Customers as specified in this Section 204.

204.3A Deposits for Interconnection Customers

1. Provided that the maximum total deposit amount for a System Impact Study will be \$300,000 regardless of the size of the proposed Customer Facility, a System Impact Study deposit shall be submitted to Transmission Provider, as follows:
 - a. For a proposed Customer Facility that 20 MW or greater, a deposit of \$500 for each MW requested; or

- b. For a proposed Customer Facility that is 2 MW or greater, but less than 20 MW, a deposit of \$10,000; or
 - c. For a proposed Customer Facility that is less than 2 MW, a deposit of \$5,000.
2. Ten percent (10%) of each total System Impact Study deposit amount is non-refundable. Any unused non-refundable deposit monies will be returned to the Interconnection Customer upon Initial Operation. However, if, before reaching Initial Operation, the Interconnection Customer withdraws its Interconnection Request or the Interconnection Request is otherwise deemed rejected or terminated and withdrawn, any unused portion of the non-refundable deposit monies will be used to fund:
- a. Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices due to Transmission Provider, Interconnected Transmission Owner(s) and/or third party contractors, as applicable, as a result of any failure of the Interconnection Customer to pay actual costs for the Interconnection Request and/or associated Queue Position; and/or
 - b. Any restudies required as a result of the rejection, termination and/or withdrawal of such Interconnection Request ; and/or
 - c. Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior Interconnection Requests by the Interconnection Customer.
3. Ninety percent (90%) of each total System Impact Study deposit amount is refundable, and the Transmission Provider will utilize, in no particular order, the refundable portion of each total System Impact Study deposit amount to cover the following:
- a. The cost of the System Impact Study acceptance review; and
 - b. The dollar amount of the Interconnection Customer's cost responsibility for the System Impact Study; and
 - c. If the System Impact Study Request is deemed to be modified (pursuant to section 36.2A of Part VI of the PJM Tariff), rejected, terminated and/or withdrawn during the deficiency review and/or deficiency response period, as described further below, or during the System Impact Study period, the refundable deposit money will be applied to cover all of the costs incurred by the Transmission Provider up to the point of such request being modified, rejected, terminated and/or withdrawn, and any remaining refundable deposit monies will be applied to cover:
 - i. The costs of any restudies required as a result of the modification, rejection, termination and/or withdrawal of such request; and/or
 - ii. Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices due to Transmission Provider, Interconnected Transmission Owner(s) and/or third party contractors, as applicable, as a result of any failure of the Interconnection Customer to pay actual costs for the System Impact Study Request and/or associated Queue Position; and/or

- iii. Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Interconnection Requests by such customer.
 - iv. If any refundable deposit monies remain after all costs and outstanding monies owed, as described in this section, are covered, such remaining refundable deposit monies will be returned to the customer in accordance with the PJM Manuals.
- 4. Upon completion of the System Impact Study, the Transmission Provider will apply any remaining refundable deposit monies toward:
 - a. The cost responsibility of the Interconnection Customer for any other studies conducted for the Interconnection Request; and/or
 - b. Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Interconnection Requests by such Interconnection Customer.
- 5. If any refundable deposit monies remain after the System Impact Study is complete and any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Interconnection Requests by such Interconnection Customer have been paid, such remaining deposit monies will be returned to the Interconnection Customer.
- 6. The Interconnection Customer must submit the total required deposit amount with the System Impact Study Request. If the Interconnection Customer fails to submit the total required deposit amount with the System Impact Study Request, the System Impact Study Request shall be deemed to be terminated and withdrawn.
- 7. Deposit monies are non-transferrable. Under no circumstances may refundable or non-refundable deposit monies for a specific Interconnection Request, Upgrade Request or Queue Position be applied in whole or in part to a different New Service Request, Interconnection Request or Queue Position.

205.3 Timing of Studies:

The following provision shall apply to all New Service Requests submitted on May 1, 2012 through and including October 31, 2016:

The Transmission Provider shall conduct System Impact Studies each year commencing on (i) June 1, for New Service Requests received between May 1 and October 31 of the previous year, (ii) December 1, for New Service Requests received between November 1 of the previous year, and April 30 of the same year. The Transmission Provider shall use due diligence to complete the System Impact Studies within 120 days of the date the study commences. In the event that the Transmission Provider is unable to complete a System Impact Study within the applicable indicated time period, it shall so notify the affected New Service Customers and the affected Transmission Owner(s) and provide an estimated completion date, along with an explanation of the reasons why additional time is needed to complete the study. The Transmission Provider will use the same due diligence in completing the System Impact Study for a New Service Customer as it uses when completing studies for a Transmission Owner.

The following provision shall apply to all New Service Requests submitted on November 1, 2016 through and including March 31, 2017:

The Transmission Provider shall conduct System Impact Studies commencing on November 1, for New Service Requests received between October 1 of the previous year, and March 31 of the same year. The Transmission Provider shall use due diligence to complete the System Impact Studies within 120 days of the date the study commences. In the event that the Transmission Provider is unable to complete a System Impact Study within the applicable indicated time period, it shall so notify the affected New Service Customers and the affected Transmission Owner(s) and provide an estimated completion date, along with an explanation of the reasons why additional time is needed to complete the study. The Transmission Provider will use the same due diligence in completing the System Impact Study for a New Service Customer as it uses when completing studies for a Transmission Owner.

The following provision shall apply to all New Service Requests submitted on or after April 1, 2017:

The Transmission Provider shall conduct System Impact Studies each year commencing on (i) May 1, for New Service Requests received between April 1 and September 30 of the previous year, (ii) November 1, for New Service Requests received between October 1 of the previous year, and March 31 of the same year. The Transmission Provider shall use due diligence to complete the System Impact Studies within 120 days of the date the study commences. In the event that the Transmission Provider is unable to complete a System Impact Study within the applicable indicated time period, it shall so notify the affected New Service Customers and the affected Transmission Owner(s) and provide an estimated completion date, along with an explanation of the reasons why additional time is needed to complete the study. The

Transmission Provider will use the same due diligence in completing the System Impact Study for a New Service Customer as it uses when completing studies for a Transmission Owner.

ATTACHMENT N
Form of
Generation Interconnection Feasibility Study Agreement

RECITALS

1. This Generation Interconnection Feasibility Study Agreement, dated as of _____, is entered into, by and between _____ ("Interconnection Customer") and PJM Interconnection, L.L.C. ("Transmission Provider") (individually referred to as a "Party", or collectively referred to as the "Parties") pursuant to Part IV and Part VI of the PJM Interconnection, L.L.C. Open Access Transmission Tariff ("PJM Tariff") (the "Agreement"). Capitalized terms used in this agreement, unless otherwise indicated, shall have the meanings ascribed to them in the PJM Tariff.
2. By submitting this Agreement and complying with section 36.1.01, 110.1, 111.1, or 112.1, as applicable, of the PJM Tariff, the Interconnection Customer has submitted an Interconnection Request. In accordance with section 36.1.01, 110.1, 111.1 or 112.1, as applicable, of the PJM Tariff, the Interconnection Customer has also submitted with this Agreement the applicable required deposit to the Transmission Provider.
3. By submitting this Agreement to the Transmission Provider, the Interconnection Customer requests interconnection to the Transmission System of a generating project with the following specifications:
 - a. Location of generating unit site (include both a written description (e.g., street address, global positioning coordinates) and attach a map in PDF format depicting the property boundaries and the location of the generating unit site):

 - b. Identification of evidence of ownership interest in, or right to acquire or control, the generating site for a minimum of three (3) years for large generation, or for a minimum of two (2) years for small generation. Include both a written description of the evidence to be relied upon and attach word or pdf version copies thereof. If the evidence of ownership interest in, or right to acquire or control the generating site is not yet available, please provide a detailed explanation explaining why such evidence is not available and provide a good faith estimated date upon which such evidence will be submitted to the Transmission Provider. Though site control evidence may be submitted separately from this Agreement, the Interconnection Request is still subject to the overall deficiency review period and deficiency response period time constraints provided for in section 36.1.01, 110.1, 111.1 or 112.1, as applicable, of the PJM Tariff, and will not be assigned a Queue Position without site control evidence acceptable to the Transmission Provider.

c. Specification of Requested Maximum Facility Output and Requested Capacity Interconnection Rights. The requested Maximum Facility Output megawatts and requested Capacity Interconnection Rights megawatts indicated in this section may be reduced as this Interconnection Request proceeds in the Transmission Provider Interconnection Request process, but may not be increased after this Agreement is submitted to the Transmission Provider.

i. For new generating units, complete the following chart:

Total Requested Maximum Facility Output (as defined in the PJM Tariff) in Megawatts	
Total Requested Capacity Interconnection Rights (as defined in the PJM Tariff) in Megawatts	

ii. For existing generating units that will be adding megawatt capability, complete the following chart:

	Existing Facility	Proposed Facility Incremental Increase	Total
Maximum Facility Output (as defined in the PJM Tariff) in Megawatts			
Capacity Interconnection Rights (as defined in the PJM Tariff) in Megawatts			

iii. For new Behind The Meter generating units, complete the following chart:

Gross Generator Output in Megawatts	
Behind the Meter Load in Megawatts (the sum of the MW generation auxillary load and any other MW load to be served behind the Point of Interconnection)	
Total Requested Maximum Facility Output (as defined in the PJM Tariff) in Megawatts	
Total Requested Capacity Interconnection Rights (as defined in the PJM Tariff) in Megawatts	

iv. For existing Behind The Meter generating units that will be adding megawatt capability, complete the following chart:

	Existing Facility	Requested Facility Increase	Total
Gross Generator Output in Megawatts			
Behind the Meter Load in Megawatts (the sum of the MW generation auxillary load and any other MW load to be served behind the Point of Interconnection)			
Maximum Facility Output (as defined in the PJM Tariff) to be exported from the Behind the Meter Generator onto the PJM System, in Megawatts			
Capacity Interconnection Rights, in Megawatts			

d. Identify the fuel type of the new or existing generating unit:

e. A pdf format attachment of the site plan/single line diagram together with a description of the equipment configuration, including a set of preliminary electrical design specifications, and if the generating unit is a wind generation facility, then also submit a set of preliminary electrical design specifications depicting the wind generation facility as a single equivalent generator:

f. Planned date the new generating unit or increase in capability will be in service:

g. Other related information, including for example, but not limited to, identifying: all of Interconnection Customer's prior Queue Positions; stating whether the Interconnection Customer has submitted a previous Interconnection Request for this particular project; and, if this Interconnection Request proposes an increase in capability to an existing generating unit, then identify whether the existing generating unit is subject to an exiting Interconnection Agreement and/or Power Purchase Agreement:

THE FOLLOWING APPLIES TO BEHIND THE METER GENERATION:

a. If Behind the Meter Generation is identified in this Agreement, all of the requirements in section 36.1A of the PJM Tariff must also be met.

Comment [s3]: Dave...any additional thoughts on this, i.e., must be met by when – before the deficiency response period ends? Any other detail that you want/need to provide here?

b. Identify the type and size of the load located (or to be located) at the site of such generation, and attach a pdf format single line diagram depicting the location of the load in relation to the site of such generation:

c. Describe the electrical connections between the generation facility and the load.

PURPOSE OF THE FEASIBILITY STUDY

4. Consistent with Section 36.2 of the PJM Tariff, the Transmission Provider shall conduct a Generation Interconnection Feasibility Study to provide the Interconnection Customer with preliminary determinations of: (i) the type and scope of the Attachment Facilities, Local Upgrades, and Network Upgrades that will be necessary to accommodate the Interconnection Customer's Interconnection Request; (ii) the time that will be required to construct such facilities and upgrades; and (iii) the Interconnection Customer's cost responsibility for the necessary facilities and upgrades. In the event that the Transmission Provider is unable to complete the Generation Interconnection Feasibility Study within the timeframe prescribed in Section 36.2 of the PJM Tariff, the Transmission Provider shall notify the Interconnection Customer and explain the reasons for the delay.

5. The Generation Interconnection Feasibility Study conducted hereunder will provide only preliminary non- final estimates of the cost and length of time required to accommodate the Interconnection Customer's Interconnection Request. More comprehensive estimates will be developed only upon execution of a System Impact Study Agreement and a Facilities Study Agreement in accordance with Part VI of the PJM Tariff. The Generation Interconnection Feasibility Study necessarily will employ various assumptions regarding the Interconnection Request, other pending requests, and PJM's Regional Transmission Expansion Plan at the time of the study. The Generation Interconnection Feasibility Study shall not obligate the Transmission Provider or the Transmission Owners to interconnect with the Interconnection Customer or construct any facilities or upgrades.

CONFIDENTIALITY

6. The Interconnection Customer agrees to provide all information requested by the Transmission Provider necessary to complete the Generation Interconnection Feasibility Study. Subject to paragraph 7 of this Agreement and to the extent required by Section 222 of the PJM Tariff, information provided pursuant to this Section 6 shall be and remain confidential.

7. Until completion of the Generation Interconnection Feasibility Study, the Transmission Provider shall keep confidential all information provided to it by the Interconnection Customer. Upon completion of the Generation Interconnection Feasibility Study, the study will be listed on the Transmission Provider's website and, to the extent required by Commission regulations, will be made publicly available upon request, except that the identity of the Interconnection Customer shall remain confidential and will not be posted on the Transmission Provider's website.

8. Interconnection Customer acknowledges that, consistent with the PJM Tariff, the Transmission Provider may contract with consultants, including the Transmission Owners, to provide services or expertise in the Generation Interconnection Feasibility Study process and that the Transmission Provider may disseminate information to the Transmission Owners.

COST RESPONSIBILITY

9. The Interconnection Customer shall reimburse the Transmission Provider for the actual cost of the Generation Interconnection Feasibility Study. The refundable portion of the deposit paid by the Interconnection Customer described in Section 2 of this Agreement shall be applied toward the Interconnection Customer's Generation Interconnection Feasibility Study cost responsibility. Pursuant to sections 36.1.01, 110, 111 or 112 of the PJM Tariff, as applicable, during the deficiency review of this Agreement, in the event that the Transmission Provider anticipates that the actual study costs will exceed the refundable portion of the deposit described in Section 2 of this agreement, the Transmission Provider shall provide the Interconnection Customer with an

estimate of the additional study costs. The estimated additional study costs are non-binding, and additional actual study costs may exceed the estimated additional study cost increases provided by the Transmission Provider. Regardless of whether the Transmission Provider provides the Interconnection Customer with estimated additional study costs, the Interconnection Customer is responsible for and must pay all actual study costs. If the Transmission Provider sends the Interconnection Customer notification of estimated additional study costs during the deficiency review period (as described in sections 36.1.01, 110, 111 or 112), then the Interconnection Customer must either: (1) withdraw the Generation Interconnection Request during the deficiency response period (as described in sections 36.1.01, 110, 111 or 112); or (2) pay all additional actual study costs prior to the expiration of the deficiency response period (as described in sections 36.1.01, 110, 111 or 112). If the Interconnection Customer fails to complete either (1) or (2), then the Generation Interconnection Request shall be deemed to be terminated and withdrawn. If at any time after the deficiency review period the Transmission Provider provides the Interconnection Customer with notification of estimated additional study costs, the Interconnection Customer must pay such estimated additional study costs within ten (10) business days of Transmission Provider sending the Interconnection Customer notification of such estimated additional study costs. If the Interconnection Customer fails to pay such estimated additional study costs within ten (10) business days of Transmission Provider sending the Interconnection Customer notification of such estimated additional study costs, then the Generation Interconnection Request shall be deemed to be terminated and withdrawn.

DISCLAIMER OF WARRANTY, LIMITATION OF LIABILITY

10. In analyzing and preparing the Generation Interconnection Feasibility Study, the Transmission Provider, the Transmission Owner(s), and any other subcontractors employed by the Transmission Provider shall have to rely on information provided by the Interconnection Customer and possibly by third parties and may not have control over the accuracy of such information. Accordingly, NEITHER THE TRANSMISSION PROVIDER, THE TRANSMISSION OWNER(S), NOR ANY OTHER SUBCONTRACTORS EMPLOYED BY THE TRANSMISSION PROVIDER MAKES ANY WARRANTIES, EXPRESS OR IMPLIED, WHETHER ARISING BY OPERATION OF LAW, COURSE OF PERFORMANCE OR DEALING, CUSTOM, USAGE IN THE TRADE OR PROFESSION, OR OTHERWISE, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE WITH REGARD TO THE ACCURACY, CONTENT, OR CONCLUSIONS OF THE FEASIBILITY STUDY. The Interconnection Customer acknowledges that it has not relied on any representations or warranties not specifically set forth herein and that no such representations or warranties have formed the basis of its bargain hereunder. Neither this Agreement nor the Generation Interconnection Feasibility Study prepared hereunder is intended, nor shall either be interpreted, to constitute agreement by the Transmission Provider or the Transmission Owner(s) to provide any transmission or interconnection service to or on behalf of the Interconnection Customer either at this point in time or in the future.

11. In no event will the Transmission Provider, Transmission Owner(s) or other

subcontractors employed by the Transmission Provider be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, whether under this Agreement or otherwise, even if the Transmission Provider, Transmission Owner(s), or other subcontractors employed by the Transmission Provider have been advised of the possibility of such a loss. Nor shall the Transmission Provider, Transmission Owner(s), or other subcontractors employed by the Transmission Provider be liable for any delay in delivery or of the non-performance or delay in performance of the Transmission Provider's obligations under this Generation Interconnection Feasibility Study Agreement. Without limitation of the foregoing, the Interconnection Customer further agrees that Transmission Owner(s) and other subcontractors employed by the Transmission Provider to prepare or assist in the preparation of any Generation Interconnection Feasibility Study shall be deemed third party beneficiaries of this provision entitled "Disclaimer of Warranty/Limitation of Liability."

MISCELLANEOUS

12. Any notice or request made to or by either party regarding this Agreement shall be made to the representative of the other party as indicated below.

Transmission Provider
PJM Interconnection, L.L.C.
2750 Monroe Blvd.
Audubon, PA 19403

Interconnection Customer

13. No waiver by either Party of one or more defaults by the other in performance of any of the provisions of this Agreement shall operate or be construed as a waiver of any other or further default or defaults, whether of a like or different character.

14. This Agreement or any part thereof, may not be amended, modified, or waived other than by a writing signed by all Parties hereto.

15. This Agreement shall be binding upon the Parties hereto, their heirs, executors, administrators, successors, and assigns.

16. Neither this Agreement nor the Generation Interconnection Feasibility Study performed hereunder shall be construed as an application for service under Part II or Part III of the PJM Tariff.

17. The provisions of Part IV of the PJM Tariff are incorporated herein and made a part

hereof.

18. Governing Law, Regulatory Authority, and Rules

The validity, interpretation and enforcement of this Agreement and each of its provisions shall be governed by the laws of

the state of _____ (the state where the Point of Interconnection is located), without regard to its conflicts of law principles. This Agreement is subject to all Applicable Laws and Regulations. Each

Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of a Governmental Authority.

19. No Third-Party Beneficiaries

This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and where permitted, their assigns.

20. Multiple Counterparts

This Agreement may be executed in two or more counterparts, each of which is deemed an original but all of which constitute one and the same instrument.

21. No Partnership

This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

22. Severability

If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other Governmental Authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling, and (3) the remainder of this Agreement shall remain in full force and effect.

23. Reservation of Rights

The Transmission Provider shall have the right to make a unilateral filing with the Federal Energy Regulatory Commission ("FERC") to modify this Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and the FERC's rules

and regulations thereunder, and the Interconnection Customer shall have the right to make a unilateral filing with the FERC to modify this Agreement under any applicable provision of the Federal Power Act and the FERC's rules and regulations; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before the FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or of the FERC under sections 205 or 206 of the Federal Power Act and the FERC's rules and regulations, except to the extent that the parties otherwise agree as provided herein.

CERTIFICATION

By initialing the line next to each of the following required elements, Interconnection Customer hereby certifies that it has submitted with this executed Agreement each of the required elements (if this Interconnection Request is being submitted electronically, each of the required elements must be submitted electronically as individual PDF files, together with an electronic PDF copy of this signed Agreement):

- _____ **Specification of the location of the proposed generating unit site or existing generating unit (including both a written description (e.g., street address, global positioning coordinates) and attach a map in PDF format depicting the property boundaries and the location of the generating unit site)**

- _____ **Evidence of an ownership interest in, or right to acquire or control the generating unit site**

- _____ **The megawatt size of the proposed generating unit or the amount of increase in megawatt capability of an existing generating unit, and identification of any megawatt portion of the facility's capability that will be a Capacity Resource**

- _____ **Identification of the fuel type of the proposed generating unit or upgrade thereto**

- _____ **Description of the equipment configuration and a set of preliminary electrical design specifications, and, if the generating unit is a wind generation facility, then the set of preliminary electrical design specifications must depict the wind plant as a single equivalent generator**

- _____ **The planned date that the proposed generating unit or increase in megawatt capability of an existing generating unit will be in service, where such date is to be no more than seven years from the date that a complete and fully executed Generation Interconnection Feasibility Study Agreement is received by the**

Transmission Provider unless the Interconnection Customer demonstrates that engineering, permitting, and construction of the generating unit or increase in capability will take more than seven years

_____ **All additional information prescribed by the Transmission Provider in the PJM Manuals**

_____ **The full amount (including both the refundable and non-refundable portions) of the required deposit**

IN WITNESS WHEREOF, the Transmission Provider and the Interconnection Customer have caused this Agreement to be executed by their respective authorized officials.

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

By: _____
Name Title Date

Printed Name

Interconnection Customer: **[Name of Party]**

By: _____
Name Title Date

Printed Name

**ATTACHMENT N-1
FORM OF
SYSTEM IMPACT STUDY AGREEMENT
(PJM Queue Position # ___)**

RECITALS

1. This System Impact Study Agreement, dated as of _____, is entered into, by and between _____ ("New Service Customer") and PJM Interconnection, L.L.C. ("Transmission Provider") pursuant to Part VI of the PJM Interconnection, L.L.C. Open Access Transmission Tariff ("PJM Tariff").
2. The Transmission Provider has: (i) pursuant to Section 36.2 of the PJM Tariff, completed an Interconnection Feasibility Study and provided the results of that study to the New Service Customer; (ii) received a valid Upgrade Request; or (iii) pursuant to Section 19 or Section 32, as applicable, of the PJM Tariff, the Transmission Provider has completed an Initial Study and provided the results of that study to the New Service Customer.
3. Pursuant to Sections 19.1, 32.1, 37, 110.2, 111.2, 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 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 Section 204.3A of the PJM Tariff.

PREVIOUS SUBMISSIONS

{For Interconnection Customers, use the following paragraph 4}

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 3 of the Interconnection Feasibility Study Agreement dated _____, for the project designated _____ {insert Queue Position} by and between the New Service Customer and the Transmission Provider 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:

{For Generation Facilities, use the following paragraphs a through c}

a. Specify whether the generation to be interconnected to the Transmission System is to be a Capacity Resource or an Energy Resource.

b. Identification of evidence of initial application for the necessary air permits (attach documentation separately):

c. Other information not previously provided that may be relevant to the study being conducted hereunder (attach generator data for stability study analysis):

{For Merchant Transmission Facilities, use the following paragraphs a through c}

a. Provide evidence of ownership in, or right to acquire or control the site(s) where New Service Customer intends to install its major equipment, in the form of a deed, option agreement, lease or other similar document acceptable to PJM:

b. Provide evidence of the rights or option to obtain such rights to use any existing transmission facilities within PJM that are necessary for construction of the proposed project.

c. Other information not previously provided that may be relevant to the study being conducted hereunder:

{For New Service Customer other than Interconnection Customers, use the following paragraph 4}

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:

PURPOSE OF THE SYSTEM IMPACT STUDY

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}. 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.

6. The System Impact Study conducted hereunder will provide more comprehensive estimates of the cost and length of time required to accommodate the New Service Customer's New Service Request than those developed through the Feasibility Study or Initial Study, if applicable, performed for the New Service Customer. These estimates shall represent a good faith attempt to determine the cost of necessary facilities and upgrades to accommodate the New Service Customer's New Service Request, and the New Service Customer's cost responsibility for them, but shall not be deemed final or binding. 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, (b) an assessment of sub-area export deliverability, (c) an assessment of project related system stability issues, (d) an assessment of project related short circuit duty issues, (e) a contingency analysis consistent with NERC's and each Applicable Regional Entity's reliability criteria, (f) an assessment of regional transmission upgrades that most effectively meet identified needs, and (g) an analysis to

determine cost allocation responsibility for required facilities and upgrades. Final estimates will be developed only upon execution of a Facilities Study Agreement in accordance with Part VI of the PJM Tariff. The System Impact Study necessarily will employ various assumptions regarding the New Service Request, other pending requests, and PJM's Regional Transmission Expansion Plan at the time of the study. IN NO EVENT SHALL THE SYSTEM IMPACT STUDY IN ANY WAY BE DEEMED TO OBLIGATE THE TRANSMISSION PROVIDER OR THE TRANSMISSION OWNERS THAT MAY INTERCONNECT WITH THE NEW SERVICE CUSTOMER TO CONSTRUCT ANY FACILITIES OR UPGRADES.

CONFIDENTIALITY

7. The New Service Customer agrees to provide all information requested by the Transmission Provider necessary to complete the System Impact Study. Subject to paragraph 8 of this System Impact Study Agreement and to the extent required by Section 222 of the PJM Tariff, information provided pursuant to this Section 7 shall be and remain confidential.

8. Until completion of the System Impact Study, the Transmission Provider shall keep confidential all information provided to it by the New Service Customer. Pursuant to Section 205.4 of the PJM Tariff, upon completion of the System Impact Study, the Transmission Provider shall provide a copy of the System Impact Study to all New Service Customers whose New Service Requests were evaluated in the System Impact Study along with all related work papers. Additionally, Transmission Provider shall post on Transmission Provider's website (i) the existence of the System Impact Study, (ii) the New Service Customers that had New Service Requests evaluated in the System Impact Study, (iii) the location and size in megawatts of each New Service Customer's generation project, if applicable, and (iv) each New Service Customer's Queue Position. Additionally, New Service Customer acknowledges and consents to such other disclosures as may be required under the PJM Tariff or the FERC's rules and regulations.

9. New Service Customer acknowledges that, consistent with Part VI of the PJM Tariff, the Transmission Owners will participate in the System Impact Study process and that the Transmission Provider may disseminate information to the Transmission Owners and rely upon them to conduct part or all of the System Impact Study.

COST RESPONSIBILITY

10. The New Service Customer shall reimburse the Transmission Provider for the actual cost of the System Impact Study in accordance with its cost responsibility as determined under Sections 110.2, 111.2, 112.2 or 203 of the PJM Tariff. The refundable portion of the deposit described in Section 3 of this Agreement, paid by the New Service Customer pursuant to Sections 110.2, 111.2, 112.2, or 204.3A of the PJM Tariff, shall be applied toward the New Service Customer's System Impact Study cost responsibility. Pursuant to section 204.3 of the PJM Tariff, during the acceptance review of this Agreement, in the event that the Transmission Provider anticipates that the New Service Customer's study cost responsibility will substantially exceed the refundable portion of the deposit, the Transmission Provider shall provide the New Service Customer with an estimate of the additional study costs and the New Service Customer's cost responsibility. The estimated additional study costs are non-binding, and additional actual study costs may exceed the estimated additional study cost increases provided by the Transmission Provider. Regardless of whether the Transmission Provider provides the New Service Customer with notification of estimated additional study costs, the New Service

Customer is responsible for and must pay all actual study costs. If the Transmission Provider provides the New Service Customer with notification of estimated additional study costs, the New Service Customer must pay such estimated additional study costs within ten (10) business days of Transmission Provider sending the New Service Customer notification of such estimated additional study costs. If the New Service Customer fails to pay such estimated additional study costs within ten (10) business days of Transmission Provider sending the New Service Customer notification of such estimated additional study costs, then the New Service Request shall be deemed to be withdrawn and terminated.

DISCLAIMER OF WARRANTY, LIMITATION OF LIABILITY

11. In analyzing and preparing the System Impact Study, the Transmission Provider, the Transmission Owner(s), and any other subcontractors employed by the Transmission Provider shall have to rely on information provided by the New Service Customer and possibly by third parties and may not have control over the accuracy of such information. Accordingly, NEITHER THE TRANSMISSION PROVIDER, THE TRANSMISSION OWNER(S), NOR ANY OTHER SUBCONTRACTORS EMPLOYED BY THE TRANSMISSION PROVIDER MAKES ANY WARRANTIES, EXPRESS OR IMPLIED, WHETHER ARISING BY OPERATION OF LAW, COURSE OF PERFORMANCE OR DEALING, CUSTOM, USAGE IN THE TRADE OR PROFESSION, OR OTHERWISE, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE WITH REGARD TO THE ACCURACY, CONTENT, OR CONCLUSIONS OF THE SYSTEM IMPACT STUDY. The New Service Customer acknowledges that it has not relied on any representations or warranties not specifically set forth herein and that no such representations or warranties have formed the basis of its bargain hereunder. Neither this System Impact Study Agreement nor the System Impact Study prepared hereunder is intended, nor shall either be interpreted, to constitute agreement by the Transmission Provider or the Transmission Owner(s) to provide any transmission or interconnection service to or on behalf of the New Service Customer either at this point in time or in the future.

12. In no event will the Transmission Provider, Transmission Owner(s) or other subcontractors employed by the Transmission Provider be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, whether arising under this System Impact Study Agreement or otherwise, even if the Transmission Provider, Transmission Owner(s), or other subcontractors employed by the Transmission Provider have been advised of the possibility of such a loss. Nor shall the Transmission Provider, Transmission Owner(s), or other subcontractors employed by the Transmission Provider be liable for any delay in delivery or of the non-performance or delay in performance of the Transmission Provider's obligations under this System Impact Study Agreement.

Without limitation of the foregoing, the New Service Customer further agrees that Transmission Owner(s) and other subcontractors employed by the Transmission Provider to prepare or assist in the preparation of any System Impact Study shall be deemed third party beneficiaries of this provision entitled "Disclaimer of Warranty/Limitation of Liability."

MISCELLANEOUS

13. Any notice or request made to or by either party regarding this System Impact Study Agreement shall be made to the representative of the other party as indicated below.

Transmission Provider

PJM Interconnection, L.L.C.

2750 Monroe Blvd.

Audubon, PA 19403

New Service Customer

14. No waiver by either party of one or more defaults by the other in performance of any of the provisions of this System Impact Study Agreement shall operate or be construed as a waiver of any other or further default or defaults, whether of a like or different character.

15. This System Impact Study Agreement or any part thereof, may not be amended, modified, or waived other than by a writing signed by all parties hereto.

16. This System Impact Study Agreement shall be binding upon the parties hereto, their heirs, executors, administrators, successors, and assigns.

17. Neither this System Impact Study Agreement nor the System Impact Study performed hereunder shall be construed as an application for service under Part II or Part III of the PJM Tariff.

18. The provisions of Part VI of the PJM Tariff are incorporated herein and made a part hereof.

19. Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the PJM Tariff.

20. This System Impact Study Agreement shall be effective as of the date of the New Service Customer'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.

21. No Third-Party Beneficiaries

This System Impact Study Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the parties, and the obligations herein assumed are solely for the use and benefit of the parties, their successors in interest and where permitted, their assigns.

22. Multiple Counterparts

This System Impact Study Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

23. No Partnership

This System Impact Study Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the parties or to impose any partnership obligation or partnership liability upon either party. Neither party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other party.

24. Severability

If any provision or portion of this System Impact Study Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other Governmental Authority, (1) such portion or provision shall be deemed separate and independent, (2) the parties shall negotiate in good faith to restore insofar as practicable the benefits to each party that were affected by such ruling, and (3) the remainder of this System Impact Study Agreement shall remain in full force and effect.

25. Governing Law, Regulatory Authority, and Rules

For Interconnection Requests, the validity, interpretation and enforcement of this System Impact Study Agreement and each of its provisions shall be governed by the laws of the state of _____ (where the Point of Interconnection is located), without regard to its conflicts of law principles. This System Impact Study Agreement is subject to all Applicable Laws and Regulations. Each party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of a Governmental Authority.

26. Reservation of Rights

The Transmission Provider shall have the right to make a unilateral filing with FERC to modify this System Impact Study Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC’s rules and regulations thereunder, and the Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this System Impact Study Agreement under any applicable provision of the Federal Power Act and FERC’s rules and regulations; provided that each party shall have the right to protest any such filing by the other party and to participate fully in any proceeding before FERC in which such modifications may be considered.

Nothing in this System Impact Study Agreement shall limit the rights of the parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC’s rules and regulations, except to the extent that the parties otherwise agree as provided herein.

IN WITNESS WHEREOF, the Transmission Provider and the New Service Customer have caused this System Impact Study 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

**ATTACHMENT N-2
FORM OF
FACILITIES STUDY AGREEMENT
(PJM Queue Position # ___)**

RECITALS

1. This Facilities Study Agreement ("Agreement"), dated as of _____, is entered into by and between _____ ("New Service Customer") and PJM Interconnection, L.L.C. ("Transmission Provider"), pursuant to Part VI of the PJM Interconnection, L.L.C. Open Access Transmission Tariff ("PJM Tariff").
2. Pursuant to Section 36.2 or Section 205 of the PJM Tariff, Transmission Provider has completed a Generation or Transmission Interconnection Feasibility Study or an Initial Study (as applicable) and a System Impact Study and has provided the results of those studies to New Service Customer.
3. Transmission Provider has informed New Service Customer that the estimated date for completion of a Facilities Study pursuant to Section 206 of the PJM Tariff is {date} and that New Service Customer's estimated cost responsibility for such Facilities Study, subject to revision as provided in this Agreement, is \$.
4. New Service Customer desires that Transmission Provider commence a Facilities Study for the New Service Request with Queue Position {queue position}.

PREVIOUS SUBMISSIONS

{For Interconnection Customers, use the following paragraph 5}

5. Except as otherwise specifically set forth in an attachment to this Agreement, New Service Customer represents and warrants that the information provided in section 3 of the Feasibility Study Agreement, dated _____, by and between New Service Customer and Transmission Provider, and to the extent supplemented as set forth in section 4 of the System Impact Study Agreement, dated _____, by and between New Service Customer and Transmission Provider, is accurate and complete as of the date of execution of this Facilities Study Agreement.

{For New Service Customers other than Interconnection Customers use the following paragraph 5}

5. Except as otherwise specifically set forth in an attachment to this Agreement, New Service Customer represents and warrants that the information provided in section 4 of the System Impact Study Agreement, dated _____, by and between New Service Customer and Transmission Provider, is accurate and complete as of the date of execution of this Facilities Study Agreement.

MILESTONES

6. Pursuant to Section 206.1 of the PJM Tariff, the parties agree that New Service Customer must meet the following milestone dates relating to the development of its generation or merchant transmission project(s) or New Service Request, as applicable, in order to retain the assigned Queue Position of its New Service Request(s) (as established pursuant to Section 201 of the PJM Tariff) while Transmission Provider is completing the Facilities Study:

[Specify Project Specific Milestones]

[As appropriate include the following standard Milestones, with any revisions necessary for the project at hand]

- 6.1 Unless New Service Customer previously specified, in its initial drawing submitted to

Transmission Provider, the location of the high-side of the generator step-up transformer, then 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 on the high voltage side of the Customer Facility generator step-up transformer(s), or in the case of a Customer Facility with a single step-up transformer for multiple generators, the high voltage side of the facility step-up transformer. The evidence of site control shall be a deed, option agreement, lease, or other similar document acceptable to the Transmission Provider.

6.2 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, 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.

[Add Additional Project Specific Milestones as appropriate]

Should New Service Customer fail to achieve any of the foregoing milestones, its New Service Request(s) shall be deemed to be withdrawn and terminated and it will have to resubmit its New Service Request(s) for reassignment of a Queue Position and reinitiation of the New Service Request study process.

PURPOSE AND SCOPE OF THE FACILITIES STUDY

7. Transmission Provider, in consultation with the affected Transmission Owner(s), shall commence a Facilities Study pursuant to Section 206 of the PJM Tariff to evaluate the Attachment Facilities, Local Upgrades and/or Network Upgrades necessary to accommodate New Service Customer's New Service Request assigned Queue Position **{insert queue position}**. **{Add corresponding info on customer's other projects if necessary.}**

A. Scope of Facilities Study: The purpose of the Facilities Study is to provide, commensurate with any mutually agreed parameters regarding the scope and degree of specificity described in Schedule A attached to this agreement, conceptual engineering and, as appropriate, detailed design, plus cost estimates and project schedules, to implement the conclusions of the System Impact Study regarding the Attachment Facilities, Local Upgrades and Network Upgrades necessary to accommodate the New Service Customer's New Service Request(s). Cost estimates shall be determined in a manner consistent with Section 217 of the PJM Tariff. The nature and scope of the materials that Transmission Provider shall deliver to the New Service Customer upon completion of the Facilities Study shall be described in the PJM Manuals.

B. Facilities Study Cost and Time Estimate : Transmission Provider's estimates of the date for completion of the Facilities Study and of New Service Customer's cost responsibility for the Facilities Study are stated in section 3 of this Agreement. In the event that Transmission Provider determines that it will be

unable to complete the Facilities Study by the estimated completion date stated in section 3 of this Agreement, it shall notify New Service Customer and will explain the reasons for the delay. New Service Customer agrees that its estimated cost responsibility stated in section 3 is subject to revision as provided in sections 14, 15 and 16 of this Agreement.

8. The Facilities Study necessarily will employ various assumptions regarding New Service Customer's New Service Request(s), other pending New Service Requests, and PJM's Regional Transmission Expansion Plan at the time of the study. IN NO EVENT SHALL THIS AGREEMENT OR THE FACILITIES STUDY IN ANY WAY BE DEEMED TO OBLIGATE TRANSMISSION PROVIDER OR THE TRANSMISSION OWNERS TO CONSTRUCT ANY FACILITIES OR UPGRADES OR TO PROVIDE ANY TRANSMISSION OR INTERCONNECTION SERVICE TO OR ON BEHALF OF NEW SERVICE CUSTOMER EITHER AT THIS POINT IN TIME OR IN THE FUTURE.

CONFIDENTIALITY

9. New Service Customer agrees to provide all information requested by Transmission Provider necessary to complete the Facilities Study. Subject to section 10 of this Agreement and to the extent required by Section 222 of the PJM Tariff, information provided pursuant to this section 9 shall be and remain confidential.

10. Until completion of the Facilities Study, Transmission Provider shall keep confidential all information provided to it by the New Service Customer. Upon completion of the Facilities Study, Transmission Provider shall provide a copy of the study to New Service Customer, and to all other New Service Customers whose New Service Requests were evaluated in the Facilities Study, along with (to the extent consistent with Transmission Provider's confidentiality obligations in Section 18.17 of the Operating Agreement) all related work papers. Transmission Provider also shall post on its website the existence of the Facilities Study. New Service Customer acknowledges and consents to such other, additional disclosures of information as may be required under the PJM Tariff or the FERC's rules and regulations.

11. New Service Customer acknowledges that, consistent with Part VI of the PJM Tariff, the affected Transmission Owner(s) will participate in the Facilities Study process and that Transmission Provider may disseminate information to the affected Transmission Owner(s) and may consult with them regarding part or all of the Facilities Study.

COST RESPONSIBILITY

12. A. New Service Customer shall reimburse Transmission Provider for all, or for an allocated portion of, the actual cost of the Facilities Study in accordance with its cost responsibility as determined under Section 206 of the PJM Tariff.

B. Prior to initiating the Facilities Study, Transmission Provider shall bill New Service Customer for New Service Customer's share of the cost of work on the study that is scheduled to be completed during the first three months after work commences. Thereafter, on or before the 5th business day of every third month, Transmission Provider shall bill New Service Customer for New Service Customer's share of the cost of work expected to be completed on the Facilities Study during the ensuing three months. New Service Customer shall pay each bill within twenty (20) days after receipt thereof. In the event New Service Customer fails, other than as provided below regarding billing disputes, to make timely payment of any invoice for work on the Facilities Study, its New

Service Request shall be deemed to be terminated and withdrawn as of the date when payment was due. Notwithstanding the foregoing, in the event that the total estimated cost of the Facilities Study does not exceed the amount of the deposit required under Section 206 of the PJM Tariff, Transmission Provider shall apply the deposit in payment of the invoices for the cost of the Facilities Study. Upon written request by the New Service Customer pursuant to Section 206.4.1.1 of the PJM Tariff, Transmission Provider may provide a quarterly cost reconciliation. Subject to the following sentence regarding the final cost reconciliation upon completion of the Facility Study, such a quarterly cost reconciliation will have a one-quarter lag, e.g., reconciliation of costs for the first calendar quarter of work will be provided at the start of the third calendar quarter of work. Within 120 days after Transmission Provider completes the Facilities Study, Transmission Provider shall provide a final invoice presenting an accounting of, and the appropriate party shall make any payment to the other that is necessary to resolve, any difference between (a) New Service Customer's cost responsibility under this Agreement and the PJM Tariff for the actual cost of the Facilities Study and (b) New Service Customer's aggregate payments hereunder, including its deposits.

C. In the event of a billing dispute, Transmission Provider shall continue to perform its obligations under this Agreement so long as (1) New Service Customer continues to make all payments not in dispute, and (2) New Service Customer's aggregate deposits held by Transmission Provider under this Agreement while the dispute is pending exceeds the amount in dispute, or (3) New Service Customer pays to Transmission Provider or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If New Service Customer fails to meet any of these requirements, then its New Service Request shall be deemed to be terminated and withdrawn as of the date when payment was due.

13. 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. New Service Customer's quarterly estimated cost responsibility shall equal its estimated cost responsibility for the work on the Facilities Study that is scheduled to be completed during each three-month period after such work commences. If New Service Customer fails timely to provide the deposit required by this section, its New Service Request shall be deemed terminated and withdrawn and this Agreement shall be null and void. New Service Customer acknowledges that it may become obligated to pay one or more additional deposits pursuant to sections 14 and 15 below. Except as otherwise provided in section 12.B above, Transmission Provider shall continue to hold the amounts on deposit under this agreement until settlement of the final invoice.

14. If the Facilities Study, as described in section 7.A of this Agreement, is to include evaluation of more than one New Service Request and one or more of those requests is terminated and withdrawn, subject to the terms of section 15 of this Agreement, Transmission Provider will redetermine and reallocate the costs of the Facilities Study

among the remaining participating New Service Customers in accord with Section 206 of the PJM Tariff. In that event, and subject to the terms of section 15, within 30 days after the date for execution and return of Facilities Study Agreements as determined under Section 206 of the PJM Tariff, Transmission Provider will provide the New Service Customer with a written statement of the New Service Customer's revised responsibility for the estimated cost of the Facilities Study, determined in accordance with Section 206 of the PJM Tariff. In the event that New Service Customer's revised cost responsibility exceeds the sum of its previous deposits for the Facilities Study, it shall deliver to Transmission Provider, within 10 days after New Service Customer's receipt of its revised cost responsibility, an additional cash deposit equal to the amount of the excess. If New Service Customer fails timely to provide an additional deposit that is required under this section, its New Service Request shall be deemed terminated and withdrawn as of the date by which its additional deposit was due. In the event that New Service Customer's revised cost responsibility under the notice described in this section is less than the sum of its previous deposits for the Facilities Study, Transmission Provider shall return to New Service Customer, with its notice of the revised cost responsibility, the amount of the difference.

15. A. This section shall apply prior to commencement of the Facilities Study (1) if the Facilities Study is to include multiple New Service Requests; and (2) if, in Transmission Provider's reasonable judgment, the termination and withdrawal of one or more of those New Service Requests significantly changes the group of New Service Requests to be included in the Facilities Study from the group that was included in the System Impact Study. For the purposes of this section, a change to the group of New Service Requests to be included in the Facilities Study shall be significant if, in Transmission Provider's reasonable engineering judgment, the change is likely to cause the system constraints relating to, and/or the facilities and upgrades necessary to accommodate, the group of New Service Requests remaining to be included in the Facilities Study to differ materially from the system constraints relating to, and/or from the facilities and upgrades necessary to accommodate, the group of New Service Requests that the System Impact Study evaluated.

B. In the event of a significant change to the group of New Service Requests that the System Impact Study evaluated, within 15 days after the date for execution and return of Facilities Study Agreements as determined under Section 206 of the PJM Tariff, Transmission Provider shall provide New Service Customer with an explanation of the nature and extent of the change in the affected group of New Service Requests and of the extent to which Transmission Provider has determined that it must re-assess the results of the System Impact Study. Within 30 days after it provides the explanation described in the preceding sentence, Transmission Provider shall provide New Service Customer with a revised estimate of the time needed, and of the likely cost, to complete the Facilities Study, and, if the study continues to include evaluation of more than one New Service Customer's New Service Request(s), New Service Customer's allocated share of the estimated cost of the revised Facilities Study, determined in accord with Section 206 of the PJM Tariff.

C. In the event that New Service Customer's revised cost responsibility exceeds the sum of its previous deposits for the Facilities Study, it shall deliver to Transmission Provider, within 10 days after New Service Customer's receipt of its revised cost

responsibility, an additional cash deposit equal to the amount of the excess. If New Service Customer fails timely to provide an additional deposit that is required under this section, its New Service Request shall be deemed terminated and withdrawn as of the date by which its additional deposit was due. In the event that New Service Customer's revised cost responsibility under the notice described in this section is less than the sum of its previous deposits for the Facilities Study, Transmission Provider shall return to New Service Customer, with its notice of the revised cost responsibility, the amount of the difference.

16. A. If the Facilities Study includes New Service Customer's New Service Request(s) only, New Service Customer may terminate its participation in the study at any time by providing written notice of termination to Transmission Provider. New Service Customer's notice of termination (1) shall be effective as of the end of the business day following the day that Transmission Provider receives such notice and (2) concurrently shall have the effect of terminating and withdrawing New Service Customer's New Service Request(s). New Service Customer will be responsible for all costs of the Facilities Study that Transmission Provider incurred prior to the effective date of the notice of termination. Within thirty (30) days after the effective date of New Service Customer's notice of termination, Transmission Provider will deliver to New Service Customer a statement of New Service Customer's responsibility for the costs of the Facilities Study incurred up to the date of termination. In the event that New Service Customer's cost responsibility as of the date of termination exceeds the sum of its deposits then held by Transmission Provider for the Facilities Study, Transmission Provider's statement will include an invoice in the amount of such excess. New Service Customer will pay that invoice within ten (10) days after it receives it. In the event that New Service Customer does not pay the invoice within ten (10) days after receipt, New Service Customer shall owe the invoice amount plus interest at the applicable rate prescribed in 18 C.F.R. § 35.19a (a)(2)(iii), accrued from the day after the date payment was due until the date of payment. In the event that New Service Customer's cost responsibility as of the date of termination was less than the sum of its deposits for the Facilities Study, Transmission Provider's statement will include a payment to New Service Customer in the amount of the difference.

B. If the Facilities Study includes any New Service Request(s) other than that (those) of New Service Customer, termination and withdrawal of New Service Customer's New Service Request(s) at any time after Transmission Provider has commenced the Facilities Study will not alter New Service Customer's responsibility for the costs of the Facilities Study under this Agreement and the PJM Tariff.

DISCLAIMER OF WARRANTY, LIMITATION OF LIABILITY

17. In analyzing and preparing the Facilities Study, Transmission Provider, the Transmission Owners, and any other subcontractors employed by Transmission Provider shall have to rely on information provided by New Service Customer and possibly by third parties and may not have control over the accuracy of such information. Accordingly, NEITHER THE TRANSMISSION PROVIDER, THE TRANSMISSION OWNERS, NOR ANY OTHER SUBCONTRACTORS EMPLOYED BY TRANSMISSION PROVIDER MAKES ANY WARRANTIES, EXPRESS OR IMPLIED, WHETHER ARISING BY OPERATION OF LAW, COURSE OF PERFORMANCE OR DEALING, CUSTOM, USAGE IN THE TRADE OR PROFESSION, OR OTHERWISE, INCLUDING

WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH REGARD TO THE ACCURACY, CONTENT, OR CONCLUSIONS OF THE FACILITIES STUDY. New Service Customer acknowledges that it has not relied on any representations or warranties not specifically set forth herein and that no such representations or warranties have formed the basis of its bargain hereunder.

18. In no event will Transmission Provider, the Transmission Owners or other subcontractors employed by Transmission Provider be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, arising under or in connection with this Facilities Study Agreement or the Facilities Study, even if Transmission Provider, the Transmission Owners, or other subcontractors employed by Transmission Provider have been advised of the possibility of such a loss. Nor shall Transmission Provider, the Transmission Owners, or other subcontractors employed by Transmission Provider be liable for any delay in delivery, or for the non-performance or delay in performance, of Transmission Provider's obligations under this Agreement. Without limitation of the foregoing, New Service Customer further agrees that the Transmission Owners and other subcontractors employed by Transmission Provider to prepare or assist in the preparation of any Facilities Study shall be deemed third party beneficiaries of this provision entitled "Disclaimer of Warranty/Limitation of Liability."

MISCELLANEOUS

19. Any notice or request made to or by either party regarding this Facilities Study Agreement shall be made to the representative of the other party as indicated below.

Transmission Provider

PJM Interconnection, L.L.C.

2750 Monroe Blvd.

Audubon, PA 19403

New Service Customer

20. No waiver by either party of one or more defaults by the other in performance of any of the provisions of this Agreement shall operate or be construed as a waiver of any other or further default or defaults, whether of a like or different character.

21. This Agreement or any part thereof, may not be amended, modified, assigned or waived other than by a writing signed by all parties hereto.

22. This Agreement shall be binding upon the parties hereto, their heirs, executors, administrators, successors, and assigns.

23. Neither this Agreement nor the Facilities Study performed hereunder shall be construed as an application for service under Part II or Part III of the PJM Tariff.

24. The provisions of Part VI of the PJM Tariff are incorporated herein and made a part hereof.

25. Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the PJM Tariff.

26. This Facilities Study Agreement shall be effective as of the date of the New Service Customer'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.

27. No Third-Party Beneficiaries

This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the parties, and the obligations herein assumed are solely for the use and benefit of the parties, their successors in interest and where permitted, their assigns.

28. Multiple Counterparts

This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

29. No Partnership

This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the parties or to impose any partnership obligation or partnership liability upon either party. Neither party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other party.

30. Severability

If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other Governmental Authority, (1) such portion or provision shall be deemed separate and independent, (2) the parties shall negotiate in good faith to restore insofar as practicable the benefits to each party that were affected by such ruling, and (3) the remainder of this Agreement shall remain in full force and effect.

31. Governing Law, Regulatory Authority, and Rules

For Interconnection Requests, the validity, interpretation and enforcement of this Agreement and each of its provisions shall be governed by the laws of the state of _____ (where the Point of Interconnection is located), without regard to its conflicts of law principles. This Agreement is subject to all Applicable Laws and Regulations. Each party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of a Governmental Authority.

32. Reservation of Rights

The Transmission Provider shall have the right to make a unilateral filing with FERC to modify this Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and the Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Agreement under any applicable provision of the Federal Power Act and FERC's rules and regulations; provided that each party shall have the right to protest any such filing by the other party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations, except to the extent that the parties otherwise agree as provided herein.

IN WITNESS WHEREOF, Transmission Provider and the New Service Customer have caused this Facilities Study 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

Schedule A

Details of Design and Cost Estimates/Quality

For the Facilities Study

[insert details regarding degree of accuracy of cost estimates and associated scope of design as mutually agreed by Transmission Provider and New Service Customer]

ATTACHMENT N-3
FORM OF
OPTIONAL INTERCONNECTION STUDY AGREEMENT
(PJM Queue Position # __)

THIS AGREEMENT is made and entered into this ___ day of _____, 20__ by and between _____, a _____ organized and existing under the laws of the State of _____, (“Interconnection Customer”) and _____, a _____ existing under the laws of the State of _____, (“Transmission Provider”). Interconnection Customer and Transmission Provider each may be referred to as a “Party,” or collectively as the “Parties”.

RECITALS

WHEREAS, Interconnection Customer is proposing to develop or expand a generating facility or Merchant Transmission Facilities consistent with the Interconnection Request submitted by the Interconnection Customer dated _____ and designated as project [Queue Position].

WHEREAS, Interconnection Customer is proposing to establish an interconnection with the Transmission System; and

WHEREAS, Interconnection Customer has submitted to Transmission Provider an Interconnection Request; and

WHEREAS, on or after the date when the Interconnection Customer receives the System Impact Study results, Interconnection Customer has further requested that the Transmission Provider prepare an Optional Interconnection Study;

NOW THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agree as follows:

1. when used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in the PJM Interconnection L.L.C. Open Access Transmission Tariff (“Tariff”).
2. Interconnection Customer elects and Transmission Provider shall cause an Optional Interconnection Study consistent with Section 209 of the Tariff to be performed in accordance with the Tariff.
3. The scope of the Optional Interconnection Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
4. The Optional Interconnection Study shall be performed solely for informational purposes.
5. The Optional Interconnection Study report shall provide a sensitivity analysis based on the assumptions specified by the Interconnection Customer in Attachment A to this Agreement. The Optional Interconnection Study will identify the Attachment Facilities, Local Upgrade and Network Upgrades, and the estimated cost thereof, that may be required to provide Interconnection Service based upon the assumptions specified by the Interconnection Customer in Attachment A.
6. The Interconnection Customer shall provide an initial deposit of \$10,000 for the performance of the Optional Interconnection Study. The Transmission Provider’s good faith estimate for the time of completion of the Optional Interconnection Study is [insert date]. Within 45 days after Transmission Provider completes the Optional Interconnection Study, Transmission Provider shall provide an accounting of, and the appropriate party shall make any payment to the other that is necessary to resolve, any difference between (a) Interconnection Customer’s cost responsibility under this Agreement and the PJM Tariff for the actual cost of the Optional Interconnection Study

and (b) Interconnection Customer's aggregate payments hereunder, including its deposits. Upon delivery of the Optional Interconnection Study, the Transmission Provider shall charge and the Interconnection Customer shall pay the actual costs of the Optional Study.

DISCLAIMER OF WARRANTY, LIMITATION OF LIABILITY

7. In analyzing and preparing the Optional Study, Transmission Provider, the Transmission Owners, and any other subcontractors employed by Transmission Provider shall have to rely on information provided by Interconnection Customer and possibly by third parties and may not have control over the accuracy of such information. Accordingly, NEITHER THE TRANSMISSION PROVIDER, THE TRANSMISSION OWNERS, NOR ANY OTHER SUBCONTRACTORS EMPLOYED BY TRANSMISSION PROVIDER MAKES ANY WARRANTIES, EXPRESS OR IMPLIED, WHETHER ARISING BY OPERATION OF LAW, COURSE OF PERFORMANCE OR DEALING, CUSTOM, USAGE IN THE TRADE OR PROFESSION, OR OTHERWISE, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH REGARD TO THE ACCURACY, CONTENT, OR CONCLUSIONS OF THE OPTIONAL INTERCONNECTION STUDY. Interconnection Customer acknowledges that it has not relied on any representations or warranties not specifically set forth herein and that no such representations or warranties have formed the basis of its bargain hereunder.

8. In no event will Transmission Provider, the Transmission Owners or other subcontractors employed by Transmission Provider be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, arising under or in connection with this Optional Interconnection Study Agreement or the Optional Interconnection Study, even if Transmission Provider, the Transmission Owners, or other subcontractors employed by Transmission Provider have been advised of the possibility of such a loss. Nor shall Transmission Provider, the Transmission Owners, or other subcontractors employed by Transmission Provider be liable for any delay in delivery, or for the non-performance or delay in performance, of Transmission Provider's obligations under this Agreement.

Without limitation of the foregoing, Interconnection Customer further agrees that the Transmission Owners and other subcontractors employed by Transmission Provider to prepare or assist in the preparation of any Optional Interconnection Study shall be deemed third party beneficiaries of this section 8.

MISCELLANEOUS

9. Any notice or request made to or by either party regarding this Optional Interconnection Study Agreement shall be made to the representative of the other party as indicated below.

Transmission Provider

PJM Interconnection, L.L.C.
2750 Monroe Blvd.
Audubon, PA 19403

Interconnection Customer

10. No waiver by either party of one or more defaults by the other in performance of any of the provisions of this Agreement shall operate or be construed as a waiver of any other or further default or defaults, whether of a like or different character.

11. This Agreement or any part thereof, may not be amended, modified, assigned or waived other than by a writing signed by all parties hereto.

12. This Agreement shall be binding upon the parties hereto, their heirs, executors, administrators, successors, and assigns.

13. Neither this Agreement nor the Optional Interconnection Study performed hereunder shall be construed as an application for service under Part II or Part III of the PJM Tariff.

14. The provisions of Part VI of the PJM Tariff are incorporated herein and made a part hereof.

15. This Optional Interconnection Study Agreement shall be effective as of the date of the Interconnection Customer'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.

16. Governing Law, Regulatory Authority, and Rules

The validity, interpretation and enforcement of this Agreement and each of its provisions shall be governed by the laws of the state of _____ (where the Point of Interconnection is located), without regard to its conflicts of law principles. This Agreement is subject to all Applicable Laws and Regulations. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of a Governmental Authority.

17. No Third-Party Beneficiaries

This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and where permitted, their assigns.

18. Multiple Counterparts

This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

19. No Partnership

This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

20. Severability

If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other Governmental Authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling, and (3) the remainder of this Agreement shall remain in full force and effect.

21. Reservation of Rights

The Transmission Provider shall have the right to make a unilateral filing with FERC to modify this Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and the Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Agreement under any applicable provision of the Federal Power Act and FERC's rules and regulations; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations, except to the extent that the Parties otherwise agree as provided herein.

IN WITNESS WHEREOF, Transmission Provider and the Interconnection Customer have caused this Optional Interconnection Study Agreement to be executed by their respective authorized officials.

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

By: _____
Name Title Date

Printed Name

Interconnection Customer: [Name of Party]

By: _____
Name Title Date

Printed Name

ATTACHMENT S
Form of
Transmission Interconnection Feasibility Study Agreement

RECITALS

1. This Transmission Interconnection Feasibility Study Agreement, dated as of _____, is entered into, by and between _____ (“Interconnection Customer”) and PJM Interconnection, L.L.C. (“Transmission Provider”) pursuant to Part IV of the PJM Interconnection, L.L.C. Open Access Transmission Tariff (“PJM Tariff”). Capitalized terms used in this agreement, unless otherwise indicated, shall have the meanings ascribed to them in the PJM Tariff.
2. Pursuant to Section 36.1.03 of the PJM Tariff, the Interconnection Customer has submitted an Interconnection Request and has paid the applicable deposit to the Transmission Provider, for a proposed interconnection of Merchant Transmission Facilities.
3. Interconnection Customer requests interconnection to the Transmission System of Merchant Transmission Facilities with the following specifications.
- a. Location of proposed facilities:

- b. Substation(s) where Interconnection Customer proposes to interconnect or add its facilities:

- c. Proposed voltage and nominal capability of new facilities or increase in capability of existing facilities:

- d. Description of proposed facilities and equipment:

- e. Planned date the proposed facilities or increase in capability will be in service:

- f. (1) Are these proposed Merchant Transmission Facilities?
__ Yes __ No
- (2) If Yes, 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. _____
- g. 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.

If Interconnection Customer elects (1) above, it must provide the following:

_____ Total project MW's to be evaluated as Firm (capacity) injection for TIR.

_____ Total project MW's to be evaluated as Non- firm (energy) injection for TIR.

_____ Total project MW's to be evaluated as Firm (capacity) withdrawal for TWR.

_____ Total project MW's to be evaluated a Non- firm (energy) withdrawal for TWR.

If Interconnection Customer elects (2) above, it must state the location on the Transmission System where it proposes to receive Incremental Deliverability Rights associated with Its proposed facilities:

h. 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.

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

j. Other information:

PURPOSE OF THE FEASIBILITY STUDY

4. Consistent with Section 36.2 of the PJM Tariff, the Transmission Provider shall conduct a Transmission Interconnection Feasibility Study to provide the Interconnection Customer with preliminary determinations of: (i) the type and scope of the Attachment Facilities, Local Upgrades, Network Upgrades and/or Merchant Network Upgrades that will be necessary to accommodate the Interconnection Customer's Interconnection Request; (ii) the time that will be required to construct such facilities and upgrades; and (iii) the Interconnection Customer's cost responsibility for the necessary facilities and upgrades. In the event that the Transmission Provider is unable to complete the Transmission Interconnection Feasibility Study within 30 days of the Interconnection Customer's submission of its Interconnection Request and execution of this Transmission

Interconnection Feasibility Study Agreement, the Transmission Provider shall notify the Interconnection Customer and explain the reasons for the delay.

5. The Transmission Interconnection Feasibility Study conducted hereunder will provide only preliminary non-final estimates of the cost and length of time required to accommodate the Interconnection Customer's Interconnection Request. More comprehensive estimates will be developed only upon execution of a System Impact Study Agreement and a Facilities Study Agreement in accordance with Part VI of the PJM Tariff. The Transmission Interconnection Feasibility Study necessarily will employ various assumptions regarding the Interconnection Request, other pending requests, and PJM's Regional Transmission Expansion Plan at the time of the study. The Transmission Interconnection Feasibility Study shall not obligate the Transmission Provider or the Transmission Owners to interconnect with the Interconnection Customer or construct any facilities or upgrades.

CONFIDENTIALITY

6. The Interconnection Customer agrees to provide all information requested by the Transmission Provider necessary to complete the Transmission Interconnection Feasibility Study. Subject to paragraph 7 of this Transmission Interconnection Feasibility Study Agreement and to the extent required by Section 222 of the PJM Tariff, information provided pursuant to this Section 6 shall be and remain confidential.

7. Until completion of the Transmission Interconnection Feasibility Study, the Transmission Provider shall keep confidential all information provided to it by the Interconnection Customer. Upon completion of the Transmission interconnection Feasibility Study, the study will be listed on the Transmission Provider's website and, to the extent required by Commission regulations, will be made publicly available upon request, except that the identity of the Interconnection Customer shall remain confidential and will not be posted on the Transmission Provider's website.

8. Interconnection Customer acknowledges that, consistent with Part IV and Part VI of the PJM Tariff, the Transmission Provider may contract with consultants, including the Transmission Owners, to provide services or expertise in the Transmission Interconnection Feasibility Study process and that the Transmission Provider may disseminate information to the Transmission Owners.

COST RESPONSIBILITY

9. The Interconnection Customer shall reimburse the Transmission Provider for the actual cost of the Transmission Interconnection Feasibility Study. The refundable portion of the deposit paid by the Interconnection Customer pursuant to Section 36.1.03 of the PJM Tariff shall be applied

toward the Interconnection Customer's Transmission Interconnection Feasibility Study cost responsibility. Pursuant to section 36.1.03, during the deficiency review of this Agreement, in the event that the Transmission Provider anticipates that the actual study costs will exceed the refundable portion of the deposit described in section 36.1.03 of the PJM Tariff, the Transmission Provider shall provide the Interconnection Customer with an estimate of the additional study costs. The estimated additional study costs are non-binding, and additional actual study costs may exceed the estimated additional study cost increases provided by the Transmission Provider. Regardless of whether the Transmission Provider provides the Interconnection Customer with estimated additional study costs, the Interconnection Customer is responsible for and must pay all actual study costs. If the Transmission Provider sends the

Interconnection Customer notification of estimated additional study costs during the deficiency review period (as described in section 36.1.03), then the Interconnection Customer must either: (1) withdraw the Transmission Interconnection Request during the deficiency response period; or (2) pay all estimated additional study costs prior to the expiration of the deficiency response period. If the Interconnection Customer fails to complete either (1) or (2), then the Transmission Interconnection Request shall be deemed to be terminated and withdrawn. If at any time after the deficiency review period the Transmission Provider provides the Interconnection Customer with notification of estimated additional study costs, the Interconnection Customer must pay such estimated additional study costs within ten (10) business days of Transmission Provider sending the Interconnection Customer notification of such estimated additional study costs. If the Interconnection Customer fails to pay such estimated additional study costs within ten (10) business days of Transmission Provider sending the Interconnection Customer notification of such estimated additional study costs, the Transmission Interconnection Request shall be deemed to be terminated and withdrawn.

DISCLAIMER OF WARRANTY, LIMITATION OF LIABILITY

10. In analyzing and preparing the Transmission Interconnection Feasibility Study, the Transmission Provider, the Transmission Owner(s), and any other subcontractors employed by the Transmission Provider shall have to rely on information provided by the Interconnection Customer and possibly by third parties and may not have control over the accuracy of such information. Accordingly, NEITHER THE TRANSMISSION PROVIDER, THE TRANSMISSION OWNER(S), NOR ANY OTHER SUBCONTRACTORS EMPLOYED BY THE TRANSMISSION PROVIDER MAKES ANY WARRANTIES, EXPRESS OR IMPLIED, WHETHER ARISING BY OPERATION OF LAW, COURSE OF PERFORMANCE OR DEALING, CUSTOM, USAGE IN THE TRADE OR PROFESSION, OR OTHERWISE, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE WITH REGARD TO THE ACCURACY, CONTENT, OR CONCLUSIONS OF THE FEASIBILITY STUDY. The Interconnection Customer acknowledges that it has not relied on any representations or warranties not specifically set forth herein and that no such representations or warranties have formed the basis of its bargain hereunder. Neither this Transmission Interconnection Feasibility Study Agreement nor the Transmission Interconnection Feasibility Study prepared hereunder is intended, nor shall either be interpreted, to constitute agreement by the Transmission Provider or the Transmission Owner(s) to provide any transmission or interconnection service to or on behalf of the Interconnection Customer either at this point in time or in the future.

11. In no event will the Transmission Provider, Transmission Owner(s) or other subcontractors employed by the Transmission Provider be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, whether under this Transmission Interconnection Feasibility Study Agreement or otherwise, even if the Transmission Provider, Transmission Owner(s), or other subcontractors employed by the Transmission Provider have been advised of the possibility of such a loss. Nor shall the Transmission Provider, Transmission Owner(s) or other subcontractors employed by the Transmission Provider be liable for any delay in delivery or of the non-performance or delay in performance of the Transmission

Provider's obligations under this Transmission Interconnection Feasibility Study Agreement.

Without limitation of the foregoing, the Interconnection Customer further agrees that Transmission Owner(s) and other subcontractors employed by the Transmission Provider to prepare or assist in the preparation of any Transmission Interconnection Feasibility Study shall be deemed third party beneficiaries of this provision entitled "Disclaimer of Warranty/Limitation of Liability."

MISCELLANEOUS

12. Any notice or request made to or by either party regarding this Transmission Interconnection Feasibility Study Agreement shall be made to the representative of the other party as indicated below.

Transmission Provider
PJM Interconnection, L.L.C.
2750 Monroe Blvd.
Audubon, PA 19403
Interconnection Customer

13. No waiver by either party of one or more defaults by the other in performance of any of the provisions of this Transmission Interconnection Feasibility Study Agreement shall operate or be construed as a waiver of any other or further default or defaults, whether of a like or different character.

14. This Transmission Interconnection Feasibility Study Agreement or any part thereof, may not be amended, modified, or waived other than by a writing signed by all parties hereto.

15. This Transmission Interconnection Feasibility Study Agreement shall be binding upon the parties hereto, their heirs, executors, administrators, successors, and assigns.

16. Neither this Transmission Interconnection Feasibility Study Agreement nor the Transmission Interconnection Feasibility Study performed hereunder shall be construed as an application for service under Part II or Part III of the PJM Tariff.

17. The provisions of the PJM Tariff are incorporated herein and made a part hereof.

18. Governing Law, Regulatory Authority, and Rules

The validity, interpretation and enforcement of this Transmission Interconnection Feasibility Study Agreement and each of its provisions shall be governed by the laws of the state of _____ (where the Point of Interconnection is located), without regard to its conflicts of law principles. This Transmission Interconnection Feasibility Study Agreement is subject to all Applicable Laws and Regulations. Each party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of a Governmental Authority.

19. No Third-Party Beneficiaries

This Transmission Interconnection Feasibility Study Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the parties, and the obligations herein assumed are solely for the use and benefit of the parties, their successors in interest and where permitted, their assigns.

20. Multiple Counterparts

This Transmission Interconnection Feasibility Study Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

21. No Partnership

This Transmission Interconnection Feasibility Study Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the parties or to impose any partnership obligation or partnership liability upon either party. Neither party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other party.

22. Severability

If any provision or portion of this Transmission Interconnection Feasibility Study Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other Governmental Authority, (1) such portion or provision shall be deemed separate and independent, (2) the parties shall negotiate in good faith to restore insofar as practicable the benefits to each party that were affected by such ruling, and (3) the remainder of this Transmission Interconnection Feasibility Study Agreement shall remain in full force and effect.

23. Reservation of Rights

The Transmission Provider shall have the right to make a unilateral filing with FERC to modify this Transmission Interconnection Feasibility Study Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and the Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Transmission Interconnection Feasibility Study Agreement under any applicable provision of the Federal Power Act and FERC's rules and regulations; provided that each party shall have the right to protest any such filing by the other party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Transmission Interconnection Feasibility Study Agreement shall limit the rights of the parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations, except to the extent that the parties otherwise agree as provided herein. IN WITNESS WHEREOF, the Transmission Provider and the Interconnection Customer have caused this Transmission Interconnection Feasibility Study Agreement to be executed by their respective authorized officials.

Transmission Provider

By: _____
Name Title Date

Interconnection Customer

By: _____
Name Title Date

Attachment Y

**Form of Screens Process Interconnection Request
(For Generation Facilities of 2MW or less synchronous 5MW or less inverter-based)**

1.0 Instructions

Interconnection Customer must submit the Screens Process Interconnection Request to Transmission Provider by hand delivery, mail, e-mail, or fax.

2.0 Processing Fee or Deposit:

Interconnection Customer is required to provide the Transmission Provider the applicable deposit. A portion of the deposit is non-refundable pursuant to Section 112A.

The refundable deposit received will be credited toward the amount of the Generation Interconnection Customer's cost responsibility pursuant to Section 112A.

3.0 Interconnection Customer Information

Legal Name of the Interconnection Customer (or, if an individual, individual's name)

Name: _____

Contact Person: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Facility Location (if different from above): _____

Telephone (Day): _____ Telephone (Evening): _____

Fax: _____ E-Mail Address: _____

Alternative Contact Information (if different from the Interconnection Customer)

Contact Name: _____

Title: _____

Address: _____

Telephone (Day): _____ Telephone (Evening): _____

Fax: _____ E-Mail Address: _____

4.0 Energy Resource Information

Will the Energy Resource be used for any of the following?

Net Metering? Yes ___ No ___

To Supply Power to the Interconnection Customer? Yes ___ No ___

To Supply Power to Others? Yes ___ No ___

For installations at locations with existing electric service to which the proposed Energy Resource will interconnect, provide:

(Local Electric Service Provider)

Contact Name: _____

Title: _____

Address: _____

Telephone (Day): _____ Telephone (Evening): _____

Fax: _____ E-Mail Address: _____

Requested Point of Interconnection: _____

Interconnection Customer's Requested In-Service Date: _____

Energy Source: ___ Solar ___ Wind ___ Hydro ___ Hydro Type (e.g. Run-of-River): _____
Diesel ___ Natural Gas ___ Fuel Oil ___ Other (state type) _____

Prime Mover: ___ Fuel Cell ___ Recip Engine ___ Gas Turb ___ Steam Turb
___ Microturbine ___ PV ___ Other

Type of Generator: ___ Synchronous ___ Induction ___ Inverter

Generator Nameplate Rating: _____ kW (Typical) Generator Nameplate kVAR: _____

Interconnection Customer or Customer-Site Load: _____ kW (if none, so state)

Typical Reactive Load (if known): _____

Maximum Physical Export Capability Requested: _____ kW

List components of the Small Energy Resource equipment package that are currently certified:

Equipment Type	Certifying Entity
1. _____	_____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____

Is the prime mover compatible with the certified protective relay package? ___ Yes ___ No

Generator (or solar collector)

Manufacturer, Model Name & Number: _____

Version Number: _____

Nameplate Output Power Rating in kW: (Summer) _____ (Winter) _____

Nameplate Output Power Rating in kVA: (Summer) _____ (Winter) _____

Individual Generator Power Factor

Rated Power Factor: Leading: _____ Lagging: _____

Total Number of Generators in wind farm to be interconnected pursuant to this

Interconnection Request: _____ Elevation: _____ ___ Single phase ___ Three phase

Inverter Manufacturer, Model Name & Number (if used): _____

List of adjustable set points for the protective equipment or software: _____

Note: A completed Power Systems Load Flow data sheet must be supplied with the Interconnection Request.

5.0 Energy Resource Characteristic Data (for inverter-based machines)

Max design fault contribution current: _____ Instantaneous ___ or RMS? ___

Harmonics Characteristics: _____

Start-up requirements: _____

6.0 Energy Resource Characteristic Data (for rotating machines)

RPM Frequency: _____
(* Neutral Grounding Resistor (If Applicable): _____

Synchronous Generators:

Direct Axis Synchronous Reactance, X_d : _____ P.U.
Direct Axis Transient Reactance, X'_d : _____ P.U.
Direct Axis Subtransient Reactance, X''_d : _____ P.U.
Negative Sequence Reactance, X_2 : _____ P.U.
Zero Sequence Reactance, X_0 : _____ P.U.
KVA Base: _____
Field Volts: _____
Field Amperes: _____

Induction Generators:

Motoring Power (kW): _____
I22t or K (Heating Time Constant): _____
Rotor Resistance, R_r : _____
Stator Resistance, R_s : _____
Stator Reactance, X_s : _____
Rotor Reactance, X_r : _____
Magnetizing Reactance, X_m : _____
Short Circuit Reactance, X_d'' : _____
Exciting Current: _____
Temperature Rise: _____
Frame Size: _____
Design Letter: _____
Reactive Power Required In Vars (No Load): _____
Reactive Power Required In Vars (Full Load): _____
Total Rotating Inertia, H: _____ Per Unit on kVA Base

Note: Please contact the Transmission Provider prior to submitting the Interconnection Request to determine if the specified information above is required.

Excitation and Governor System Data for Synchronous Generators Only

Provide appropriate IEEE model block diagram of excitation system, governor system and power system stabilizer (PSS) in accordance with the appropriate regional reliability council criteria. A PSS may be determined to be required by applicable studies. A copy of the manufacturer's block diagram may not be substituted.

7.0 Interconnection Facilities Information

Will a transformer be used between the generator and the point of common coupling? _Yes _No

Will the transformer be provided by the Interconnection Customer? ___ Yes ___ No

Transformer Data (If Applicable, for Interconnection Customer-Owned Transformer):

Is the transformer: ___ single phase ___ three phase? Size: _____ kVA

Transformer Impedance: _____ % on _____ kVA Base

If Three Phase:

Transformer Primary: ___ Volts ___ Delta ___ Wye ___ Wye Grounded

Transformer Secondary: ___ Volts ___ Delta ___ Wye ___ Wye Grounded

Transformer Tertiary: ___ Volts ___ Delta ___ Wye ___ Wye Grounded

Transformer Fuse Data (If Applicable, for Interconnection Customer-Owned Fuse):

(Attach copy of fuse manufacturer's Minimum Melt and Total Clearing Time-Current Curves)

Manufacturer: _____ Type: _____ Size: _____ Speed: _____

Interconnecting Circuit Breaker (if applicable):

Manufacturer: _____ Type: _____

Load Rating (Amps): _____ Interrupting Rating (Amps): _____ Trip Speed (Cycles): _____

Interconnection Protective Relays (If Applicable):

If Microprocessor-Controlled:

List of Functions and Adjustable Setpoints for the protective equipment or software:

	Setpoint Function	
	Minimum	Maximum
1.	_____	_____
2.	_____	_____
3.	_____	_____
4.	_____	_____
5.	_____	_____
6.	_____	_____

If Discrete Components:

(Enclose Copy of any Proposed Time-Overcurrent Coordination Curves)

Manufacturer: _____ Type: _____ Style/Catalog No.: _____ Proposed Setting: _____

Manufacturer: _____ Type: _____ Style/Catalog No.: _____ Proposed Setting: _____

Manufacturer: _____ Type: _____ Style/Catalog No.: _____ Proposed Setting: _____

Manufacturer: _____ Type: _____ Style/Catalog No.: _____ Proposed Setting: _____
Manufacturer: _____ Type: _____ Style/Catalog No.: _____ Proposed Setting: _____

Current Transformer Data (If Applicable):

(Enclose Copy of Manufacturer's Excitation and Ratio Correction Curves)

Manufacturer: _____
Type: _____ Accuracy Class: _____ Proposed Ratio Connection: _____

Manufacturer: _____
Type: _____ Accuracy Class: _____ Proposed Ratio Connection: _____

Potential Transformer Data (If Applicable):

Manufacturer: _____
Type: _____ Accuracy Class: _____ Proposed Ratio Connection: _____

Manufacturer: _____
Type: _____ Accuracy Class: _____ Proposed Ratio Connection: _____

8.0 Diagrams and Site Control Documentation

Enclose copy of site electrical one-line diagram showing the configuration of all Energy Resource equipment, current and potential circuits, and protection and control schemes. This one-line diagram must be signed and stamped by a licensed Professional Engineer if the Energy Resource is larger than 50 kW. Is one-line diagram enclosed? ___ Yes ___ No

Enclose copy of any site documentation that indicates the precise physical location of the proposed Energy Resource (e.g., USGS topographic map or other diagram or documentation).

Proposed location of protective interface equipment on property (include address if different from the Interconnection Customer's address) _____

Enclose copy of any site documentation that describes and details the operation of the protection and control schemes. Is available documentation enclosed? ___ Yes ___ No

Enclose copies of schematic drawings for all protection and control circuits, relay current circuits, relay potential circuits, and alarm/monitoring circuits (if applicable).
Are schematic drawings enclosed? ___ Yes ___ No

Provide demonstration of site control through an exclusive option to purchase the property on which the generation project is to be developed, a property deed, or a range of tax or corporate documents that identify property ownership. Site control must either be in the name of the party submitting the generation interconnection request or documentation must be provided

establishing the business relationship between the project developer and the party having site control.

Interconnection Customer hereby certifies that, to the best of my knowledge, all the information provided in this Screens Process Interconnection Request is true and correct.

Interconnection Customer:

By: _____
Name Title Date

ATTACHMENT BB
Form of Interconnection Service Agreement for
Certified Inverter-Based Generating Facility

This Certified Inverter-Based Generating Facility Interconnection Service Agreement (“Agreement”) is entered into between PJM Interconnection, L.L.C. (“Transmission Provider”), _____ (“Interconnected Transmission Owner”), and _____ (“Interconnection Customer”).

1.0 Processing Fee

Concurrent with tendering this Agreement to Transmission Provider, Interconnection Customer shall pay a non-refundable processing fee of \$500.

2.0 Interconnection Customer

Name: _____

Contact Person: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone (Day): _____ (Evening): _____

Fax: _____ E-Mail Address: _____

Contact Information (if different from Interconnection Customer)

Name: _____

Contact Person: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone (Day): _____ (Evening): _____

Fax: _____ E-Mail Address: _____

3.0 Small Inverter Facility Information

Location: _____

Electric Service Company: _____

Customer Account Number: _____

Inverter Manufacturer: _____ Model _____

Nameplate Rating: _____ (kW) _____ (kVA) _____ (AC Volts)

Single Phase _____ Three Phase _____

System Design Capacity: _____ (kW) _____ (kVA)

Prime Mover: Photovoltaic _____ Reciprocating Engine _____ Fuel Cell _____

Turbine _____ Other _____

Energy Source: Solar _____ Wind _____ Hydro _____ Diesel _____ Natural Gas _____

Fuel Oil _____ Other (describe) _____

Is the equipment UL1741 Listed? Yes _____ No _____

If Yes, attach manufacturer’s cut-sheet showing UL1741 listing

Estimated Installation Date: _____ Estimated In-Service Date: _____

Owner of the Small Inverter Facility _____ (include % ownership by any electric utility):

4.0 Certification of Small Inverter Facility

The Interconnection Customer represents and warrants that the Small Inverter Facility which is the subject of this Agreement is no larger than 10 kW and it meets the codes, standards, and certification requirements of Attachments Z and AA of the PJM Open Access Transmission Tariff (“Tariff”), or in lieu of such representation and warranty, the Transmission Provider has

reviewed the design or tested the proposed Small Inverter Facility and is satisfied that it is safe to operate.

The following is a list of components of the Small Inverter Facility equipment package that are currently certified:

Equipment Type Certifying Entity

1. _____
2. _____
3. _____
4. _____
5. _____

5.0 Authority and Incorporation of Tariff.

This Agreement is entered into pursuant to Part IV of the Tariff. Interconnection Customer has requested an Certified Inverter-Based Generating Facility Interconnection Service Agreement under the Tariff and Transmission Provider has determined that Interconnection Customer is eligible under the Tariff to obtain this Agreement. The standard terms and conditions for interconnection of Small Inverter Facilities as set forth in section 112B the Tariff as of the date of this Agreement are attached as Appendix A to this Agreement and are hereby specifically incorporated as provisions of this Agreement. Transmission Provider, Interconnected Transmission Owner and Interconnection Customer agree to and assume all of the rights and obligations of the Transmission Provider, Interconnected Transmission Owner and Interconnection Customer, respectively, as set forth in the appended provisions of section 112B.

6.0 Effective Date.

This Agreement shall become effective on the date it is executed by the Transmission Provider and shall terminate on such date as mutually agreed upon by the parties,

7.0 Assumption of Tariff Obligations.

Interconnection Customer agrees to abide by all rules and procedures pertaining to generation and transmission in the PJM Region, including but not limited to the rules and procedures concerning the dispatch of generation or scheduling transmission set forth in the Tariff, the Operating Agreement and the PJM Manuals.

8.0 Waiver.

No waiver by either party of one or more defaults by the other in performance of any of the provisions of this Agreement shall operate or be construed as a waiver of any other or further default or defaults, whether of a like or different character.

9.0 Amendment.

This Agreement or any part thereof, may not be amended, modified, assigned, or waived other than by a writing signed by all parties hereto.

10. Critical Infrastructure.

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 Owner, market participants, and Interconnection Customers interconnected with electric systems 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.

11. PJM Queue Number

The PJM queue number associated with this Agreement is _____.

12. Site Control

Concurrent with tendering this Agreement to Transmission Provider, Interconnection Customer shall submit documentation of site control.

IN WITNESS WHEREOF, Transmission Provider, Interconnection Customer and Interconnected Transmission Owner have caused this Agreement to be executed by their respective authorized officials.

Transmission Provider:

By: _____
Name Title Date

Interconnection Customer:

By: _____
Name Title Date

Interconnected Transmission Owner:

By: _____
Name Title Date