



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

Alejandro Bautista
Counsel
(610) 635-3447
alejandro.bautista@pjm.com

September 18, 2020

The Honorable Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E., Room 1A
Washington, D.C. 20426

*Re: PJM Interconnection, L.L.C., Docket No. ER19-1958-003
Order No. 845 Third Compliance Filing*

Dear Secretary Bose:

On May 21, 2020, the Federal Energy Regulatory Commission (“Commission”) issued an order¹ addressing the February 21, 2020 compliance filing² submitted on behalf of PJM Interconnection, L.L.C. (“PJM”) in response to Order No. 845, Order No. 845-A, and Order No. 845-B.³ In the May 21 Order, the Commission accepted, in full, the proposed modifications to the provisions of PJM’s Open Access Transmission Tariff (“Tariff”) related to Provisional Interconnection Service, effective July 20, 2020. The Commission also accepted, subject to a further compliance filing, those modifications to the provisions of the Tariff related to (i) Identification and Definition of Contingent Facilities, effective July 20, 2020, (ii) Material Modifications and Incorporation of Advanced Technologies, effective July 20, 2020, and (iii) Surplus Interconnection Service, effective November 17, 2020. The Commission directed PJM to

¹ *PJM Interconnection, L.L.C.*, 171 FERC ¶ 61,145 (May 21, 2020) (“May 21 Order”).

² *PJM Interconnection, L.L.C.*, Order Nos. 845 and 845-A Second Compliance Filing, Docket No. ER19-1958-002 (Feb. 21, 2020) (“February 21 Compliance Filing”).

³ *Reform of Generator Interconnection Procedures and Agreements*, Order 845, 163 FERC ¶ 61,043 (2018), *errata notice*, 167 FERC ¶ 61,123, *order on reh’g*, Order No. 845-A, 166 FERC ¶ 61, 137, *errata notice*, 167 FERC ¶ 61,124, *order on reh’g*, Order No. 845-B, 168 FERC ¶ 61,092 (2019) (collectively, “Order No. 845”).

submit the further compliance filing within one hundred and twenty (120) days of the May 21 Order.

In this compliance filing, PJM addresses the Commission's directives relating to three of the ten reforms adopted in Order No. 845 to improve the generator interconnection process. Specifically, PJM includes proposed modifications to its Tariff relative to the following reforms: (i) Identification of Contingent Facilities; (ii) Surplus Interconnection Service; and (iii) Material Modifications and Incorporation of Advanced Technologies. In addition to the May 21 Order compliance directives, PJM also proposes a clean-up revision as a result of PJM's February 21 Compliance Filing.

As explained in detail below in Section IV of this filing letter, PJM respectfully requests that the proposed revisions related to Surplus Interconnection Service become effective November 17, 2020 and that the proposed revisions related to Identification of Contingent Facilities and Material Modifications and Incorporation of Advanced Technologies become effective as of July 20, 2020, consistent with the effective dates the Commission accepted in the May 21 Order.

I. COMPLIANCE FILING

In compliance with the May 21 Order, PJM proposes the following revisions to the Tariff, as shown in the Attachment A redline comparison.

A. Identification of Contingent Facilities

In response to Order No. 845 and the Commission's December 19, 2019 order on compliance in this docket,⁴ PJM proposed Tariff revisions to: (i) perform the stability analysis during the facilities study, rather than the system impact study, by modifying Tariff, Part VI,

⁴ *PJM Interconnection, L.L.C.*, 169 FERC ¶ 61,226 (Dec. 19, 2019) ("December 19 Order").

Subpart A, sections 205.2 and 207 (“Tariff, section 205.2” or “Tariff, section 207”) and Tariff, Attachments N-1 (System Impact Study Agreement) and N-2 (Facilities Study Agreement) accordingly; (ii) include language from the System Impact Study Agreement, which details the specific analyses PJM performs in a system impact study, into Tariff, section 205.2, and add the stability analysis, if necessary, to the scope of the facilities study to Tariff, section 207 and Tariff, Attachment N-2; (iii) include the specific thresholds or criteria that PJM will use as part of its method to identify contingent facilities in Tariff, section 205.2 to provide that each system impact study will identify system constraints in accordance with the distribution factor effect, megawatt contribution, or fault duty contribution; and (iv) add the following language to Tariff, section 205.2.1: “The method for identifying Contingent Facilities shall be sufficiently transparent to determine why a specific Contingent Facility was identified and how it relates to the Interconnection Request.”

In the May 21 Order, the Commission found that PJM’s revised Tariff provisions identifying and describing PJM’s method for determining contingent facilities partially comply with the requirements of the December 19 Order and Order No. 845.⁵ Specifically, while the Commission found that PJM’s proposed revisions to Tariff, section 205.2 describing the technical screens or analyses that PJM will use to identify contingent facilities complied with the December 19 Order requirements,⁶ the Commission also found that PJM’s proposed revisions did not set forth the specific triggering thresholds or criteria that would result in the transmission system demonstrating unacceptable distribution factor effects, megawatt contributions, or fault

⁵ May 21 Order at P 16.

⁶ *Id.* at P 18.

duty contributions.⁷ As such, in the May 21 Order, the Commission directed PJM to submit, “a further compliance filing that includes the specific thresholds or criteria that PJM will use as part of its method to identify contingent facilities in the system impact study to achieve the level of transparency required by Order No[.]. 845”⁸

In response to the Commission’s directive, PJM proposes adding new Tariff, section 205.2.2 that sets forth the minimum thresholds to identify reliability criteria violations based on load flow violations, short circuit violations, and stability and dynamic criteria violations. The proposed revisions are as follows:

205.2.2 Minimum Thresholds to Identify Contingent Facilities

205.2.2.1 Load Flow Violations

Load flow violations will be identified based on the following criteria: (i) the first New Service Request to load a facility to over 100 percent of the rating in the applicable model; and (ii) an impact on a previously identified overload of at least 5 percent distribution factor (DFAX) or contributing at least 5 percent of the facility rating in the applicable model.

205.2.2.2 Short Circuit Violations

Short circuit violations will be identified based on the following criteria: (i) the first New Service Request to load any facility to over 100 percent of the rating in the applicable model; and (ii) any contribution to a previously overloaded facility where the New Service Request increases the fault current impact by 3 percent or greater of the rating in the applicable model.

205.2.2.3 Stability and Dynamic Criteria Violations

Stability and dynamic criteria violations will be identified based on the following criteria: (i) the first New Service Request to cause a new stability violation; and (ii) any contribution to a previously identified stability violation.

⁷ *Id.* at P 20.

⁸ *Id.*

The thresholds set forth in proposed Tariff, section 205.2.2 represent the minimum thresholds or criteria that would trigger a violation using PJM's analysis methodologies set forth in Manual 14B and provide the level of transparency required by Order No. 845.

B. Surplus Interconnection Service

In the May 21 Order, the Commission determined that PJM's proposed Tariff revisions for Surplus Interconnection Service complied with Order No. 845 and the December 19 Order⁹ but found that the Tariff revisions proposed in the February 21 Compliance Filing did not indicate whether PJM will provide refunds of the unused portion of the surplus interconnection study deposit.¹⁰ Accordingly, the Commission directed PJM to submit, "a further compliance filing that provides for refunds of any excess surplus interconnection service study deposits."¹¹

PJM, therefore, proposes the following revisions to Tariff, Part IV, Subpart A, section 36.1.1B.1(i) (hereafter, "Tariff, section 36" and the relevant subsection) to satisfy the Commission's directive:

A deposit in the amount of \$10,000 plus \$100 for each MW requested provided that the maximum total deposit amount for a Surplus Interconnection Request shall not exceed \$110,000. If any deposit monies remain after the Surplus Interconnection Study is complete and any outstanding monies owed by the Surplus Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Surplus Interconnection Requests by the Surplus Interconnection Customer have been paid, such remaining deposit monies shall be returned to the Surplus Interconnection Customer; and

These proposed revisions mirror language regarding refunds of excess deposit monies associated with Generation Interconnection Requests in Tariff, section 36.1.01.1.i.v and Transmission

⁹ *Id.* at P 36.

¹⁰ *Id.* at P 39.

¹¹ *Id.*

Interconnection Requests in Tariff, section 36.1.03.1.h.v previously accepted by the Commission.¹²

C. *Material Modifications and Incorporation of Advanced Technologies*

As noted by the Commission in the May 21 Order, “. . . PJM’s proposed definition of ‘Permissible Technological Advancement’ and its proposed revisions to Tariff Section 36.2A.2 [as set forth in the February 21 Compliance Filing] comply with the requirements of Order No. 845 . . . and the December 2019 Order.”¹³ However, regarding the deposit Order No. 845 requires an interconnection customer to tender if the transmission provider determines that additional studies are necessary to evaluate whether a technological change is a material modification,¹⁴ the Commission found that PJM’s Tariff was not sufficiently clear.¹⁵ More specifically, while PJM had stated in its initial May 22, 2019 compliance filing¹⁶ that it would not require an additional deposit for studies performed pursuant to a technological change request,¹⁷ the February 21 Compliance Filing was silent in this regard. Thus, the Commission directed PJM to submit, “a further compliance filing explicitly proposing in its Tariff a reasonable alternative, e.g., that it will not require a further deposit for such studies.”¹⁸

¹² See *PJM Interconnection, L.L.C.*, Letter Order, Docket No. ER16-2518-000 (Oct. 7, 2016); see also Tariff, sections 36.1.01.1.i.v and 36.1.03.1.h.v.

¹³ *Id.* at P 56.

¹⁴ As noted by the Commission in the May 21 Order, “Order No. 845 sets the default deposit amount at \$10,000, [but] it allows the transmission provider to propose, with justification, a ‘reasonable alternative’ amount.” *Id.* at P. 61 (citing Order No. 845, 163 FERC ¶ 61,043 at P 534).

¹⁵ *Id.* at P 61.

¹⁶ *PJM Interconnection, L.L.C.*, Order Nos. 845 and 845-A Compliance Filing, Docket No. ER19-1958-000 (May 22, 2019) (“May 22 Compliance Filing”).

¹⁷ *Id.* at 48–49.

¹⁸ May 21 Order at P 61.

PJM reiterates, consistent with its May 22 Compliance Filing, that it has found no need to request an additional deposit from Interconnection Customers to perform these studies and, as such, proposes that it will not require such a deposit. As PJM indicated in its May 22 Compliance Filing, PJM performs studies to evaluate technological advancements using the deposit provided for the study phase in which the Interconnection Customer requests the modification. Pursuant to the Tariff, the Interconnection Customer is ultimately responsible for actual costs, and, moreover, the Tariff requires that Interconnection Customers pay all study costs before they can move on to the next study phase. In response to the Commission's directive, PJM proposes the following revisions to Tariff, section 36.2A.5:

Upon receipt of the Interconnection Customer's request for modification under section 36.2A.4, the Transmission Provider shall commence and perform any necessary additional studies as soon as practicable, but, except as otherwise provided in this Subpart A, the Transmission Provider shall commence such studies no later than thirty (30) calendar days after receiving notice of the Interconnection Customer's request. Any additional studies resulting from such modification shall be done at the Interconnection Customer's expense. Transmission Provider ~~may~~ shall not require a separate deposit for any additional studies required as a result of the Interconnection Customer's request for modification under section 36.2A.4 above. Instead, all such study costs shall be invoiced and paid as work to be conducted under the Feasibility Study, System Impact Study, or Facilities Study, as applicable to pay the estimated cost of such studies in advance.

D. Miscellaneous Clean Up

1. Clean-up Revision to Tariff, Part IV, Subpart A, Section 36.1.1B.2

In preparing this filing, PJM noted that it inadvertently excluded a reference to Tariff, section 36.1.1B.1.1 in Tariff, section 36.1.1B.2. As such, PJM proposes to revise the first sentence of Tariff, section 36.1.1B.2 as follows: "Following the receipt of the Surplus Interconnection Study Agreement and requisite information and/or monies listed in section 36.1.1B.1.a – ~~k~~ above,

Transmission Provider shall determine whether the listed requirements were submitted as valid or deficient.”

II. CORRESPONDENCE AND COMMUNICATIONS

Correspondence and communications with respect to this filing should be sent to, and the parties request the Secretary to include on the official service list, the following:

Craig Glazer
Vice President–Federal Government Policy
PJM Interconnection, L.L.C.
1200 G Street, N.W, Suite 600
Washington, D.C. 20005
(202) 423-4743
craig.glazer@pjm.com

Alejandro Bautista
Counsel
PJM Interconnection, L.L.C.
2750 Monroe Blvd
Audubon, PA 19403-2497
(610) 635-3447
alejandro.bautista@pjm.com

Pauline Foley
Associate General Counsel
PJM Interconnection, L.L.C.
2750 Monroe Blvd
Audubon, PA 19403-2497
(610) 666-8248
pauline.foley@pjm.com

III. CONTENTS OF THIS FILING

The following is a list of documents submitted with this filing:

1. This transmittal letter;
2. Attachment A – Revised Tariff (redlined form); and
3. Attachment B – Revised Tariff (clean form).

IV. EFFECTIVE DATE

PJM respectfully requests that the proposed revisions for Surplus Interconnection Service become effective November 17, 2020. For the proposed revisions regarding (i) Identification of Contingent Facilities and (ii) Material Modifications and Incorporation of Advanced

Technologies, PJM respectfully requests they become effective as of July 20, 2020. Such requested effective dates are consistent with the Commission's May 21 Order.

V. REQUEST FOR WAIVERS

PJM requests waiver of the Commission's notice requirements set forth in 18 C.F.R. § 35.3 to allow the requested effective dates. Additionally, PJM makes this filing in compliance with the Commission's directives in the May 21 Order. By making these filings in compliance with the May 21 Order, PJM understands that it has hereby satisfied any of the Commission's filing requirements that might apply. Should any of the Commission's regulations (including filing regulations) or requirements not addressed be found to apply, PJM respectfully requests waiver of any such regulation or requirement.

VI. SERVICE

PJM has served a copy of this filing on all PJM Members on all state utility regulatory commissions in the PJM Region by posting this filing electronically. In accordance with the Commission's regulations,¹⁹ PJM will post a copy of this filing to the FERC filings section of its internet site, located at the following link: <http://www.pjm.com/documents/ferc-manuals/ferc-filings.aspx> with a specific link to the newly-filed document, and will send an e-mail on the same date as this filing to all PJM Members and all state utility regulatory commissions in the PJM Region²⁰ alerting them that this filing has been made by PJM and is available by following such link. If the document is not immediately available by using the referenced link, the document will be available through the referenced link within 24 hours of the filing. Also, a copy of this filing

¹⁹ See 18C.F.R §§ 35.2(e) and 385.2010(f)(3) (2019).

²⁰ PJM already maintains, updates and regularly uses e-mail lists for all PJM Members and affected state commissions.

Kimberly D. Bose, Secretary
Re: PJM Order No. 845 Third Compliance Filing
September 18, 2020
Page 10

will be available on the FERC's eLibrary website located at the following link:
<http://www.ferc.gov/docs-filing/elibrary.asp> in accordance with the Commission's regulations and
Order No. 714.

VII. CONCLUSION

For all of the foregoing reasons, PJM respectfully requests that the Commission accept the proposed revisions to the Tariff submitted herein, effective on the dates requested herein, and grant waiver of any Commission regulations that the Commission may deem applicable to this compliance filing.

Respectfully submitted,

By: /s/ Alejandro Bautista

Craig Glazer
Vice President–Federal Government Policy
PJM Interconnection, L.L.C.
1200 G Street, N.W, Suite 600
Washington, D.C. 20005
(202) 423-4743
craig.glazer@pjm.com

Alejandro Bautista
Counsel
PJM Interconnection, L.L.C.
2750 Monroe Blvd
Audubon, PA 19403-2497
(610) 635-3447
alejandro.bautista@pjm.com

Pauline Foley
Associate General Counsel
PJM Interconnection, L.L.C.
2750 Monroe Blvd
Audubon, PA 19403-2497
(610) 666-8248
pauline.foley@pjm.com

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document on those parties on the official Service List compiled by the Secretary in these proceedings.

Dated at Audubon, Pennsylvania this 18th day of September, 2020.

/s/ Alejandro Bautista
Alejandro Bautista
Counsel
PJM Interconnection, L.L.C.
2750 Monroe Blvd
Audubon, PA 19403-2497
(610) 635-3447
alejandro.bautista@pjm.com

Attachment A

Revisions to the
PJM Open Access Transmission Tariff
(Marked / Redline Format)

36.1 General:

Generation Interconnection Requests and Transmission Interconnection Requests shall be governed by Tariff, Part IV, Subpart A, 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, 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. To be assigned a PJM Queue Position pursuant to Tariff, Part IV, Preamble, 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 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:
 - a. specification of the location of the proposed Generating Facility site or existing Generating Facility (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
 - b. evidence of an ownership interest in, or right to acquire or control the Generating Facility site for a minimum of three years, such as a deed, option agreement, lease, or other similar document acceptable to the Transmission Provider; and
 - c. the MW size of the proposed Generating Facility or the amount of increase in MW capability of an existing Generating Facility, and identification of any MW portion of the facility's capability that will be a Capacity Resource; and
 - d. identification of the fuel type of the proposed generating unit or upgrade thereto; and
 - e. 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

- f. 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
- g. any additional information as may be prescribed by the Transmission Provider in the PJM Manuals, including a description of how the full electrical generating capability of the generating unit will be limited to the Maximum Facility Output requested if the Maximum Facility Output of the generating unit is less than the full electrical generating capability of the Generating Facility; and
- h. if Behind The Meter Generation is identified in the Generation Interconnection Feasibility Study Agreement, all of the requirements in Tariff, Part IV, Subpart A, section 36.1A must also be met; and
- i. Deposit.
 - i. A deposit shall be submitted to Transmission Provider, as follows:
 - (1) 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 shall 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
 - (2) Provided that the maximum total deposit amount for a Generation Interconnection Request submitted in the fifth calendar month of the current New Services Queue shall 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
 - (3) Provided that the maximum total deposit amount for a Generation Interconnection Request submitted in the sixth calendar month of the current New Services Queue shall not exceed \$130,000 a 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.

- ii. 10% of each total deposit amount is non-refundable. Any unused non-refundable deposit monies shall 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 shall be used to fund:
 - (1) 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
 - (2) Any restudies required as a result of the rejection, termination and/or withdrawal of such Generation Interconnection Request; and/or
 - (3) 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.
- iii. 90% of each total deposit amount is refundable, and the Transmission Provider shall utilize, in no particular order, the refundable portion of each total deposit amount to cover the following:
 - (1) The cost of the Queue Position acceptance review; and
 - (2) The cost of the deficiency review of the Interconnection Customer's Generation Interconnection Request (to determine whether the Generation Interconnection Request is valid); and
 - (3) The dollar amount of the Interconnection Customer's cost responsibility for the Generation Interconnection Feasibility Study; and
 - (4) If the Generation Interconnection Request is deemed to be modified (pursuant to Tariff, Part IV, Subpart A, section 36.2A), 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 shall 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 shall be applied to cover:

- (a) The costs of any restudies required as a result of the modification (pursuant to Tariff, Part IV, Subpart A, section 36.2A), 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 shall be returned to the Generation Interconnection Customer in accordance with the PJM Manuals.
- iv. Upon completion of the Feasibility Study, the Transmission Provider shall apply any remaining refundable deposit monies toward:
- (1) The Interconnection Customer's cost responsibility for any other studies conducted for the Generation Interconnection Request under Tariff, Part VI, which shall be applied prior to the deposit monies collected for such other studies; and/or

- (2) Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior Generation Interconnection Requests by the Interconnection Customer.
 - v. 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 shall be returned to the Generation Interconnection Customer.
 - vi. 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 shall be terminated prior to reaching the deficiency review stage).
 - vii. 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.
 - j. Primary frequency response operating range for Energy Storage Resources.
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 years, if a Generation Interconnection Request meets all requirements set forth above the Transmission Provider shall start the deficiency review. While deficiency reviews may commence for Generation Interconnection Requests that are submitted without site control evidence that is acceptable to the Transmission Provider, such Generation Interconnection Requests shall 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 (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 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 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 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 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 shall be provided ten 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 Business Days to review each Interconnection Customer's response to the deficiency notice. If the Generation Interconnection Request is still deficient after the Transmission Provider's additional five Business Day review and the full ten Business Days of the Interconnection Customer's deficiency response period have expired, the Generation 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 Generation Interconnection Request shall be deemed to be terminated and withdrawn.
3. **[Reserved]**
4. In accordance with Tariff, Part VI, Preamble, section 201, the Transmission Provider shall assign Queue Positions as of the date and time of receipt of all information required pursuant to section 36.1.01 above. If the information required pursuant to section 36.1.01 above is provided to the Transmission

Provider in separate submissions, the Queue Position shall be assigned based on the date and time of receipt of the last required piece of information.

5. Deficiency notices shall 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 Tariff, Part IV. The list and the priority of Generation Interconnection Requests shall be included on the Transmission Provider's 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 Tariff, Part IV, Subpart G 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 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. To be assigned a PJM Queue Position pursuant to Tariff, Part VI, Preamble, 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 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:
 - a. 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
 - b. a description of the proposed Merchant Transmission Facilities; and
 - c. the nominal capability or increase in capability (in megawatts) of the proposed Merchant Transmission Facilities; and
 - d. 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
 - e. 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

- i. Transmission Injection Rights and/or Transmission Withdrawal Rights, or
 - ii. 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;
- f. if the Transmission Interconnection Customer will be eligible to receive Incremental Deliverability Rights under Tariff, Part VI, Subpart C, section 235, 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
- g. any additional information as may be prescribed by the Transmission Provider in the PJM Manuals; and
- h. Deposit.
- i. A deposit shall be submitted to the Transmission Provider as follows:
 - (1) 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 shall 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; or
 - (2) Provided that the maximum total deposit amount for a Transmission Interconnection Request submitted in the fifth calendar month of the current New Services Queue shall 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; or
 - (3) Provided that the maximum total deposit amount for a Transmission Interconnection Request submitted in the sixth calendar month of the current New Services Queue shall 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.

- ii. 10% of each total deposit amount is non-refundable. Any unused non-refundable deposit monies shall 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 shall be used to fund:
 - (1) 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
 - (2) Any restudies required as a result of the rejection, termination and/or withdrawal of such Transmission Interconnection Request; and/or
 - (3) 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.

- iii. 90% of each total deposit amount is refundable, and the Transmission Provider shall utilize, in no particular order, the refundable portion of each total deposit amount to cover the following:
 - (1) The cost of the Queue Position acceptance review; and
 - (2) The cost of the deficiency review of the Interconnection Customer's Transmission Interconnection Request (to determine whether the Transmission Interconnection Request is valid); and
 - (3) The dollar amount of the Interconnection Customer's cost responsibility for the Transmission Interconnection Feasibility Study; and

(4) If the Transmission Interconnection Request is deemed to be modified (pursuant to Tariff, Part IV, Subpart A, section 36.2A), 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 shall 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 shall be applied to cover:

(a) The costs of any restudies required as a result of the modification, rejection termination and/or withdrawal of such Transmission 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 Transmission 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 Transmission 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 shall be returned to the Interconnection Customer in accordance with the PJM Manuals.

iv. Upon completion of the Transmission Interconnection Feasibility Study, the Transmission Provider shall apply any remaining refundable deposit monies toward:

(1) The Interconnection Customer's cost responsibility for any other studies conducted for the Transmission Interconnection Request under Tariff, Part VI, which shall

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

- (2) 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.
 - v. 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 shall be returned to the Interconnection Customer.
 - vi. 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 shall be terminated prior to reaching the deficiency review stage).
 - vii. 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 shall start the deficiency review.
 - b. Pursuant to Section 9, Cost Responsibility, of the Transmission Interconnection Feasibility Study Agreement (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 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 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 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 shall be provided ten 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 Business Days to review the Interconnection Customer's response to the deficiency notice. If the Transmission Interconnection Request is still deficient after the Transmission Provider's additional five Business Day review and the full ten 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. **[Reserved]**
4. The Transmission Provider shall assign Queue Positions pursuant to Tariff, Part VI, Preamble, section 201 on the date and time of receipt of all the required information set forth in this section 36.1.03 above.
5. Deficiencies shall 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 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 the relevant PJM 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 the relevant PJM Transmission Interconnection Request, the relevant PJM 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 Tariff, Part IV or Tariff, Part VI. 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.

36.1.03A Transmission Interconnection Customers Requesting Merchant Network Upgrades

Notwithstanding section 36.1.03 above, an Interconnection Customer that proposes Merchant Network Upgrades (including advancing pursuant to Tariff, Part VI, Subpart B, section 220 or accelerating 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 Operating Agreement, Schedule 6) shall submit an Upgrade Request, with the required information and the required deposit for a System Impact Study, as set forth in Tariff, Attachment EE.

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 Tariff, Part III. Capacity Resources also may participate in Reliability Pricing Model Auctions and in Ancillary Services markets pursuant to the 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 Operating Agreement, Schedule 1, section 1.7.4(i), 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.

36.1.1A Service Below Generating Capability

The Transmission Provider shall consider requests for Interconnection Service below the full electrical generating capability of the Generating Facility. These requests for Interconnection Service shall be studied at the level of Interconnection Service requested for purposes of determining Interconnection Facilities, Network Upgrades, and associated costs, but may be subject to other studies at the full electrical generating capability of the Generating Facility to ensure the safety and reliability of the system, with the study costs borne by the Interconnection Customer. If after additional studies are complete, Transmission Provider determines that additional Network Upgrades are necessary, then Transmission Provider must: (i) specify which additional Network Upgrade costs are based on which studies; and (ii) provide a detailed explanation of why the additional Network Upgrades are necessary. Any Interconnection Facility and/or Network Upgrades costs required for safety and reliability also will be borne by

the Interconnection Customer. Interconnection Customers may be subject to additional control technologies as well as testing and validation of these technologies as set forth in the Interconnection Service Agreement. The necessary control technologies and protection systems shall be established in Tariff, Attachment O, Schedule K (Requirements for Interconnection Service Below Full Electrical Generating Capability) of the executed, or requested to be filed unexecuted Interconnection Service Agreement.

36.1.1B Surplus Interconnection Service Request

Requests for Surplus Interconnection Service may be made by the existing Interconnection Customer whose Generating Facility is already interconnected, or one of its affiliates, or by an unaffiliated Interconnection Customer. The existing Interconnection Customer or one of its affiliates has priority to use this service; however, if they do not exercise this priority, Surplus Interconnection Requests also may be made available to an unaffiliated Surplus Interconnection Customer. Surplus Interconnection Service is limited to utilizing or transferring an existing Generating Facility's Surplus Interconnection Service at the pre-existing Point of Interconnection of the existing Generating Facility and cannot exceed the existing Generating Facility's total amount of Interconnection Service, i.e., the total amount of Interconnection Service used by the Generating Facility requesting Surplus Interconnection Service and the existing Generating Facility shall not exceed the lesser of the Maximum Facility Output stated in the existing Generating Facility's Interconnection Service Agreement or the total "as-built capability" of the existing Generating Facility. If the Generating Facility requests Surplus Interconnection Service associated with an existing Generating Facility that is an Energy Resource, the Generating Facility requesting the Surplus Interconnection Service shall be an Energy Resource; and if the existing Generating Facility is a Capacity Resource, the Generating Facility requesting Surplus Interconnection Service associated with the Generating Facility may be an Energy Resource or a Capacity Resource (but only up to the amount of Capacity Interconnection Rights granted the existing Generating Facility). Surplus Interconnection Service cannot be granted if doing so would require new Network Upgrades or would have additional impacts affecting the determination of what Network Upgrades would be necessary to New Service Customers already in the New Services Queue or that have a material impact on short circuit capability limits, steady-state thermal and voltage limits, or dynamic system stability and response.

1. Surplus Interconnection Request Requirements. A Surplus Interconnection Customer seeking Surplus Interconnection Service must submit a complete and fully executed Surplus Interconnection Study Agreement, which form is located at Tariff, Attachment RR. To be considered complete at the time of submission, the Surplus Interconnection Customer's Surplus Interconnection Study Agreement must include, at a minimum, each of the following:
 - a. Specification of the location of the proposed surplus generating unit site or existing surplus 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

- b. Evidence of an ownership interest in, or right to acquire or control the surplus generating unit site for a minimum of three years, such as a deed, option agreement, lease or other similar document acceptable to the Transmission Provider; and
- c. The MW size of the proposed surplus generating unit or the amount of increase in MW capability of an existing surplus generating unit; and Identification of the fuel type of the proposed surplus generating unit or upgrade thereto; and
- d. Identification of the fuel type of the proposed surplus generating unit or upgrade thereto; and
- e. A description of the equipment configuration, and a set of preliminary electrical design specifications, and, if the surplus generating unit is wind generation facility, then the set of preliminary electrical design specifications must depict the wind plant as a single equivalent generator; and
- f. The planned date the proposed surplus generating unit or increase in MW capability of an existing surplus generating unit will be in service; and
- g. Any additional information as may be prescribed by the Transmission Provider in the PJM Manuals; and
- h. A description of the circumstances under which Surplus Interconnection Service will be available at the existing Generating Facility's Point of Interconnection; and
- i. A deposit in the amount of \$10,000 plus \$100 for each MW requested provided that the maximum total deposit amount for a Surplus Interconnection Request shall not exceed \$110,000. If any deposit monies remain after the Surplus Interconnection Study is complete and any outstanding monies owed by the Surplus Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Surplus Interconnection Requests by the Surplus Interconnection Customer have been paid, such remaining deposit monies shall be returned to the Surplus Interconnection Customer; and
- j. Identification of the specific, existing Generating Facility already interconnected to the PJM Transmission System providing Surplus Interconnection Service, including whether the Surplus Interconnection Customer requesting Surplus Interconnection Service is the owner or affiliate of the existing Generating Facility; and

- k. If the Surplus Interconnection Customer is an unaffiliated third party, the Surplus Interconnection Customer must submit with its Surplus Interconnection Study Agreement the following information and documentation acceptable to the Transmission Provider:
 - i. Written evidence from the owner of the existing Generating Facility granting Surplus Interconnection Customer permission to utilize the existing Generating Facility's unused portion of Interconnection Service established in the existing Generating Facility's Interconnection Service Agreement; and
 - ii. Written documentation stating that the owner of the surplus generating unit and the owner of the existing Generating Facility will have entered into, prior to the owner of the existing Generating Facility executing a revised Interconnection Service Agreement, a shared facilities agreement between the owner of the existing Generating Facility and the owner of the surplus generating unit detailing their respective roles and responsibilities relative to the Surplus Interconnection Service.
- l. If an Energy Storage Resource, Surplus Interconnection Customer must submit primary frequency response operating range for the surplus generating unit.
- 2. Deficiency Review. Following the receipt of the Surplus Interconnection Study Agreement and requisite information and/or monies listed in section 36.1.1B.1.a – ~~1k~~ above, Transmission Provider shall determine whether the listed requirements were submitted as valid or deficient. If deemed deficient by Transmission Provider, Surplus Interconnection Customer must submit the requisite information and/or monies acceptable to the Transmission Provider within ten Business Days of receipt of the Transmission Provider's notice of deficiency. Failure of the Interconnection Customer to timely provide information and/or monies identified in the deficiency notice shall result in the Surplus Interconnection Request being terminated and withdrawn. The Surplus Interconnection Service Request shall be considered valid as of the date and time the Transmission Provider receives from the Interconnection Customer the last piece of required information and/or monies deemed acceptable by the Transmission Provider to clear such deficiency notice.

36.1.2 No Applicability to Transmission Service:

Nothing in this Tariff, Part IV shall constitute a request for transmission service, or confer upon an Interconnection Customer any right to receive transmission service, under Tariff, Part II or Tariff, 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 Tariff, Part VI, Subpart A, section 202.

36.1.7 Base Case Data:

Transmission Provider shall maintain base case power flow, short circuit and stability databases, including all underlying assumptions, and contingency list on a password-protected website, subject to the confidentiality provisions of Tariff, Part VI, Subpart B, section 223. In addition, Transmission Provider shall maintain base case power flows and underlying assumptions on a password-protected website. Such base case power flows and underlying assumptions should reasonably represent those used during the most recent interconnection study. Transmission Provider may require Interconnection Customers and password-protected website users to sign any required confidentiality agreement(s) 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.

36.2A Modification of Interconnection Request:

The Interconnection Customer shall submit to the Transmission Provider, in writing, any modification to its project that causes the project's capacity, location, configuration or technology to differ from any corresponding information provided in the Interconnection Request. The Interconnection Customer shall retain its Queue Position if the modification is in accordance with sections 36.2A.1, 36.2A.3 or 36.2A.6, or, if not in accordance with one of those sections, is determined not to be a Material Modification pursuant to section 36.2A.4 below. Notwithstanding the above, during the course of the Interconnection Studies, the Interconnection Customer, the Interconnected Transmission Owner, or Transmission Provider may identify changes to the planned interconnection that may improve the costs and benefits (including reliability) of the interconnection, and the ability of the proposed change to accommodate the Interconnection Request. To the extent the identified changes are acceptable to the Transmission Provider and Interconnection Customer, such acceptance not to be unreasonably withheld, Transmission Provider shall modify the project's Point of Interconnection, capacity, and/or configuration in accordance with such changes and shall proceed with any re-studies that Transmission Provider finds necessary in accordance with Tariff, Part VI, Subpart A, section 205.5 and/or Tariff, Part VI, Subpart A, section 207.2, as applicable, provided, however, that a change to the Point of Interconnection shall be permitted without loss of Queue Position only if it would not be a Material Modification.

The following language for 36.2A.1 and 36.2A.3 apply to Interconnection Requests which have entered the New Services Queue prior to May 1, 2012:

36.2A.1 Prior to return of the executed System Impact Study Agreement to the Transmission Provider, an Interconnection Customer may modify its project to reduce by up to 60 percent the electrical output (MW) (in the case of a Generation Interconnection Request) or by up to 60 percent of the transmission capability (in the case of a Transmission Interconnection Request) of the proposed project. For increases in generating capacity or transmission capability, the Interconnection Customer must submit a new Interconnection Request for the additional capability and shall be assigned a new Queue Position for the additional capability.

36.2A.2 After the System Impact Study Agreement is executed and prior to execution of the Interconnection Service Agreement, an Interconnection Customer may modify its project to reduce the electrical output (MW) (in the case of a Generation Interconnection Request) or the transmission capability (in the case of a Transmission Interconnection Request) of the proposed project by up to the larger of 20 percent of the capability considered in the System Impact Study or 50 MW.

The following language for 36.2A.1 and 36.2A.3 apply to Interconnection Requests which have entered the New Services Queue on or after May 1, 2012:

36.2A.1 Modifications Prior to Executing A System Impact Study Agreement

36.2A.1.1 Prior to the commencement of the Feasibility Study, an Interconnection Customer may request to reduce by up to 60 percent of the electrical generating facility capability or Maximum Facility Output (MW) (in the case of a Generation Interconnection Request), through either (1) decrease in plant size or (2) a decrease in interconnection service level (consistent with the process described in Tariff, Part IV, Subpart A, section 36.1.1A or the capability (in the case of a Transmission Interconnection Request) without losing its current Queue Position. For Interconnection Requests received in months one through five of the New Services Queue the Interconnection Customer must identify this change prior to the close of business on the last day of the sixth month of the New Services Queue. For Interconnection Requests received during the sixth month of the New Services Queue the Interconnection Customer must identify this change no later than close of business on the day following the completion of the scoping meeting.

36.2A.1.2 After the start of the Feasibility Study, but prior to the return of the executed System Impact Study Agreement to the Transmission Provider, an Interconnection Customer may modify its project to reduce the size of the project as provided in this section 36.2A.1.2, subject to the limitation described in section 36.2A.7 below. The Interconnection Customer may reduce its project by up to 15 percent of the electrical generating facility capability or Maximum Facility Output (MW) (in the case of a Generation Interconnection Request), through either (1) a decrease in plant size or (2) a decrease in interconnection service level (consistent with the process described in Tariff, Part IV, Subpart A, section 36.1.1A or capability (in the case of a Transmission Interconnection Request) of the proposed project. For a request to reduce by more than 15 percent, an Interconnection Customer must request the Transmission Provider to evaluate if such a change would be a Material Modification and the Transmission Provider will allow the Interconnection Customer to reduce the size of its project: (i) to any size if the Transmission Provider determines the change is not a Material Modification; or (ii) by up to 60 percent of the electrical generating facility capability or Maximum Facility Output (MW) (in the case of a Generation Interconnection Request), through either (1) a decrease in plant size or (2) a decrease in interconnection service level (consistent with the process described in Tariff, Part IV, Subpart A, section 36.1.1A) or capability (in the case of a Transmission Interconnection Request) if the Transmission Provider determines the change is a Material Modification, however, such a project that falls within this subsection (ii) would be removed from its current Queue Position and will be assigned a new Queue Position at the beginning of the subsequent queue and a new Interconnection Feasibility Study will be performed consistent with the timing of studies for projects submitted in the subsequent queue. All projects assigned such new Queue Positions will retain their priority with respect to each other in their newly assigned queue and with respect to all later queue projects in subsequent queues, but will lose their priority with respect to other projects in the queue to which they were previously assigned. For increases in generating capacity or transmission capability, the Interconnection Customer must submit a new Interconnection Request for the additional capability and shall be assigned a new Queue Position for the additional capability.

36.2A.2 Modification of an Interconnection Request for Technological Changes

36.2A.2.1 For a request to modify a project to include a technological advancement, no later than the return of the executed Facilities Study Agreement (or, if a Facilities Study is not required, prior the return of an executed Interconnection Service Agreement) to the Transmission Provider, an Interconnection Customer may request to modify its Interconnection Request to include a Permissible Technological Advancement without losing its current Queue Position provided Interconnection Customer submits the new machine modeling data associated with such Permissible Technological Advancements no later than the return of the executed Facilities Study Agreement (or, if a Facilities Study is not required, prior to return of an executed Interconnection Service Agreement). The machine modeling data as specified in the PJM Manuals associated with the requested technological change must be submitted via the PJM website.

36.2A.2.2 For a request to modify an Interconnection Request to include a technological advancement that does not qualify as a Permissible Technological Advancement, prior to returning an executed Facilities Study Agreement (or, if a Facilities Study is not required, prior to returning an executed Interconnection Service Agreement) to the Transmission Provider, an Interconnection Customer may request in writing to modify its Interconnection Request to add a technological advancement. Such requests must also include machine modeling data as specified in the PJM Manuals and submitted via the PJM website. If PJM determines the data submitted with such request is incomplete or incorrect, PJM will reject such technological change request and the Interconnection Customer may resubmit its technological change request with the complete and/or accurate data. All technological advancement requests not qualifying as a Permissible Technological Advancement will require a study and be evaluated by the Transmission Provider to determine whether such change would constitute a Material Modification. Such evaluation will include an analysis of the short circuit capability limits, steady-state thermal and voltage limits, or dynamic system stability and response on subsequent-queued Interconnection Requests. If the Transmission Provider determines that the technological advancement is not a Material Modification, the Interconnection Customer may modify its Interconnection Request to include such technological advancement. If the Transmission Provider determines the change is a Material Modification, the Interconnection Customer must withdraw its technological advancement change request to retain its Queue Position or proceed with a new Interconnection Request with such technological change. PJM shall determine whether a technological advancement is a Material Modification within thirty (30) calendar days of receipt of the technological advancement request.

36.2A.3 Modifications After the System Impact Study Agreement but Prior to Executing an Interconnection Service Agreement

After the System Impact Study Agreement is executed and prior to execution of the Interconnection Service Agreement, an Interconnection Customer may modify its project to reduce the size of the project as provided in this section 36.2A.3, subject to the limitation described in section 36.2A.7 below. The Interconnection Customer may reduce its project by the greater of 10 MW or 5 percent of the electrical generating facility capability or Maximum Facility Output (MW) (in the case of a Generation Interconnection Request), through either (1) a

decrease in plant size or (2) a decrease in interconnection service level (consistent with the process described in Tariff, Part IV, Subpart A, section 36.1.1A) or capability (in the case of a Transmission Interconnection Request) of the proposed project. For a request to reduce by more than the greater of 10 MW or 5 percent, an Interconnection Customer must request the Transmission Provider to evaluate if such a change would be a Material Modification and the Transmission Provider will allow the Interconnection Customer to reduce the size of its project: (i) to any size if the Transmission Provider determines the change is not a Material Modification; or (ii) by up to the greater of 50 MW or 20 percent of the electrical generating facility capability or Maximum Facility Output (MW) (in the case of a Generation Interconnection Request), through either (1) a decrease in plant size or (2) a decrease in interconnection service level (consistent with the process described in Tariff, Part IV, Subpart A, section 36.1.1A) or capability (in the case of a Transmission Interconnection Request) if the Transmission Provider determines the change is a Material Modification, however, such a project that falls within this subsection (ii) would be removed from its current Queue Position and will be assigned a new Queue Position at the beginning of the subsequent queue and a new System Impact Study will be performed consistent with the timing of studies for projects submitted in the subsequent queue. All projects assigned such new Queue Positions will retain their priority with respect to each other in their newly assigned queue and with respect to all later queue projects in subsequent queues, but will lose their priority with respect to other projects in the queue to which they were previously assigned.

36.2A.4

Prior to making any modifications other than those specifically permitted by sections 36.2A.1, 36.2A.3 and 36.2A.6, the Interconnection Customer may first request that the Transmission Provider evaluate whether such modification is a Material Modification. In response to the Interconnection Customer's request, the Transmission Provider shall evaluate the proposed modifications prior to making them and shall inform the Interconnection Customer in writing of whether the modification(s) would constitute a Material Modification. For purposes of this section 36.2A.4, any change to the Point of Interconnection (other than a change deemed acceptable under sections 36.1.5, 36.2.1, or 36.2A.1) or increase in generating capacity shall constitute a Material Modification. The Interconnection Customer may then withdraw the proposed modification or proceed with a new Interconnection Request for such modification.

36.2A.5

Upon receipt of the Interconnection Customer's request for modification under section 36.2A.4, the Transmission Provider shall commence and perform any necessary additional studies as soon as practicable, but, except as otherwise provided in this Subpart A, the Transmission Provider shall commence such studies no later than thirty (30) calendar days after receiving notice of the Interconnection Customer's request. Any additional studies resulting from such modification shall be done at the Interconnection Customer's expense. Transmission Provider ~~may~~ shall not require a separate deposit for any additional studies required as a result of the Interconnection Customer's request for modification under section 36.2A.4 above. Instead, all such study costs shall be invoiced and paid as work to be conducted under the Feasibility Study, System Impact Study, or Facilities Study, as applicable to pay the estimated cost of such studies in advance.

36.2A.6

Extensions of less than three (3) cumulative years in the projected date of Initial Operation of the Customer Facility are not material and shall be handled through construction sequencing.

The proposed Commencement Date can be extended (i) after the scoping meeting, once study timing is fully understood, not to exceed seven (7) years; (ii) due to study delays; or (iii) due to associated Network Upgrade construction timing.

The following language applies to Interconnection Requests which have entered the New Services Queue on or after May 1, 2012.

36.2A.7

An Interconnection Customer may be assigned a new queue position as provided for in sections 36.2A.1.2 or 36.2A.3 a total of two times for any single Interconnection Request. In the event that Interconnection Customer seeks to reduce the size of its project such that Transmission Provider determines the change is a material modification, and such change would result in the third assignment of a new queue position under sections 36.2A.1 .2 or 36.2A.3, then the Interconnection Request shall be terminated and withdrawn if the Interconnection Customer proceeds with such change.

205.2 Scope of Studies:

The System Impact Study is a comprehensive regional analysis of the effect of adding to the Transmission System the new facilities and services contemporaneously proposed by New Service Customers and an evaluation of their impact on deliverability to the aggregate of PJM Network Load. The System Impact Study identifies the system constraints, identified with specificity by transmission element or flowgate, relating to each proposed new project and service included therein and the Attachment Facilities, Merchant Network Upgrades, Direct Assignment Facilities, Local Upgrades, Network Upgrades, and/or Contingent Facilities required to accommodate such projects. The System Impact Study provides refined and comprehensive estimates of cost responsibility and construction lead times for new facilities and system upgrades. The Transmission Provider, in its sole discretion, may determine to evaluate in the same System Impact Study two or more New Service Requests relating to interconnections, Upgrade Requests, or proposed new transmission services where the associated increases in service or capability are in electrical proximity to each other. The scope of the System Impact Study may include (a) an assessment of sub-area import deliverability, (b) an assessment of sub-area export deliverability, (c) an assessment of project related short circuit duty issues, (d) a contingency analysis consistent with NERC's and each Applicable Regional Entity's reliability criteria, (e) an assessment of regional transmission upgrades that most effectively meet identified needs, and (f) an analysis to determine cost allocation responsibility for required facilities and upgrades. In addition, each System Impact Study shall identify the system constraints, identified with specificity by transmission element or flowgate in accordance with the distribution factor effect, megawatt contribution or fault duty contribution, relating to the New Service Requests being evaluated in the study and, as applicable to each included request, the redispatch options, additional Direct Assignment Facilities, necessary Merchant Network Upgrades, Attachment Facilities, Local Upgrades, Network Upgrades and/or Contingent Facilities necessary to accommodate such request. For purposes of determining necessary Interconnection Facilities and Network Upgrades, the System Impact Study shall consider the level of Interconnection Service requested by the Interconnection Customer unless otherwise required to study the full electrical generating capability of the Generating Facility due to safety or reliability concerns. The System Impact Study report shall include the list and facility loading of all newly-identified reliability criteria violations or contributions to a previously-identified reliability criteria violation specific to the New Service Request. The System Impact Study shall refine and more comprehensively estimate each New Service Customer's cost responsibility (determined in accordance with Tariff, Part VI, Subpart B, section 217) for necessary facilities and upgrades than the estimates provided in the Interconnection Feasibility Study or the Firm Transmission Feasibility Study, if applicable. In the event that more than one New Service Request is evaluated in a study, the Transmission Provider may provide a series of estimates to each participating New Service Customer to reflect the customer's estimated cost responsibility based on varying assumptions regarding the number of New Service Customers that decide to continue their New Service Requests after completion of the System Impact Study. A description of the Transmission Provider's methodology for completing a System Impact Study for Completed Applications is provided in Tariff, Attachment D. If applicable, the System Impact Study for a Transmission Interconnection Customer shall also include a preliminary estimate of the Incremental Deliverability Rights associated with the customer's proposed Merchant Transmission Facilities.

205.2.1 Contingent Facilities

Transmission Provider shall identify the Contingent Facilities to be provided to Interconnection Customer in the System Impact Study by reviewing unbuilt Interconnection Facilities and/or Network Upgrades (including those still subject to cost allocation in accordance with the PJM Manuals) associated with another Interconnection Customer with a higher queue priority upon which the Interconnection Customer's cost, timing and study findings are dependent and, if delayed or not built, could cause a need for interconnection restudies of the Interconnection Request or reassessment of the unbuilt Interconnection Facilities and/or Network Upgrades. The method for identifying Contingent Facilities shall be sufficiently transparent to determine why a specific Contingent Facility was identified and how it relates to the Interconnection Request. Transmission Provider shall include the list of the Contingent Facilities in the System Impact Study, Facilities Study, if applicable, and Interconnection Service Agreement, including why a specific Contingent Facility was identified and how it relates to the Interconnection Request. Transmission Provider shall also provide, upon request of the Interconnection Customer, the estimated Interconnection Facility and/or Network Upgrade costs and estimated in-service completion time of each identified Contingent Facility when this information is readily available and non-commercially sensitive.

205.2.2 Minimum Thresholds to Identify Contingent Facilities

205.2.2.1 Load Flow Violations

Load flow violations will be identified based on the following criteria: (i) the first New Service Request to load a facility to over 100 percent of the rating in the applicable model; and (ii) an impact on a previously identified overload of at least 5 percent distribution factor (DFAX) or contributing at least 5 percent of the facility rating in the applicable model.

205.2.2.2 Short Circuit Violations

Short circuit violations will be identified based on the following criteria: (i) the first New Service Request to load any facility to over 100 percent of the rating in the applicable model; and (ii) any contribution to a previously overloaded facility where the New Service Request increases the fault current impact by 3 percent or greater of the rating in the applicable model.

205.2.2.3 Stability and Dynamic Criteria Violations

Stability and dynamic criteria violations will be identified based on the following criteria: (i) the first New Service Request to cause a new stability violation; and (ii) any contribution to a previously identified stability violation.

Attachment B

PJM Open Access Transmission Tariff
(Clean Format)

36.1 General:

Generation Interconnection Requests and Transmission Interconnection Requests shall be governed by Tariff, Part IV, Subpart A, 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, 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. To be assigned a PJM Queue Position pursuant to Tariff, Part IV, Preamble, 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 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:
 - a. specification of the location of the proposed Generating Facility site or existing Generating Facility (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
 - b. evidence of an ownership interest in, or right to acquire or control the Generating Facility site for a minimum of three years, such as a deed, option agreement, lease, or other similar document acceptable to the Transmission Provider; and
 - c. the MW size of the proposed Generating Facility or the amount of increase in MW capability of an existing Generating Facility, and identification of any MW portion of the facility's capability that will be a Capacity Resource; and
 - d. identification of the fuel type of the proposed generating unit or upgrade thereto; and
 - e. 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

- f. 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
- g. any additional information as may be prescribed by the Transmission Provider in the PJM Manuals, including a description of how the full electrical generating capability of the generating unit will be limited to the Maximum Facility Output requested if the Maximum Facility Output of the generating unit is less than the full electrical generating capability of the Generating Facility; and
- h. if Behind The Meter Generation is identified in the Generation Interconnection Feasibility Study Agreement, all of the requirements in Tariff, Part IV, Subpart A, section 36.1A must also be met; and
- i. Deposit.
 - i. A deposit shall be submitted to Transmission Provider, as follows:
 - (1) 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 shall 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
 - (2) Provided that the maximum total deposit amount for a Generation Interconnection Request submitted in the fifth calendar month of the current New Services Queue shall 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
 - (3) Provided that the maximum total deposit amount for a Generation Interconnection Request submitted in the sixth calendar month of the current New Services Queue shall not exceed \$130,000 a 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.

- ii. 10% of each total deposit amount is non-refundable. Any unused non-refundable deposit monies shall 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 shall be used to fund:
 - (1) 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
 - (2) Any restudies required as a result of the rejection, termination and/or withdrawal of such Generation Interconnection Request; and/or
 - (3) 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.
- iii. 90% of each total deposit amount is refundable, and the Transmission Provider shall utilize, in no particular order, the refundable portion of each total deposit amount to cover the following:
 - (1) The cost of the Queue Position acceptance review; and
 - (2) The cost of the deficiency review of the Interconnection Customer's Generation Interconnection Request (to determine whether the Generation Interconnection Request is valid); and
 - (3) The dollar amount of the Interconnection Customer's cost responsibility for the Generation Interconnection Feasibility Study; and
 - (4) If the Generation Interconnection Request is deemed to be modified (pursuant to Tariff, Part IV, Subpart A, section 36.2A), 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 shall 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 shall be applied to cover:

- (a) The costs of any restudies required as a result of the modification (pursuant to Tariff, Part IV, Subpart A, section 36.2A), 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 shall be returned to the Generation Interconnection Customer in accordance with the PJM Manuals.
- iv. Upon completion of the Feasibility Study, the Transmission Provider shall apply any remaining refundable deposit monies toward:
- (1) The Interconnection Customer's cost responsibility for any other studies conducted for the Generation Interconnection Request under Tariff, Part VI, which shall be applied prior to the deposit monies collected for such other studies; and/or

- (2) Any outstanding monies owed by the Interconnection Customer in connection with outstanding invoices related to prior Generation Interconnection Requests by the Interconnection Customer.
 - v. 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 shall be returned to the Generation Interconnection Customer.
 - vi. 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 shall be terminated prior to reaching the deficiency review stage).
 - vii. 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.
 - j. Primary frequency response operating range for Energy Storage Resources.
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 years, if a Generation Interconnection Request meets all requirements set forth above the Transmission Provider shall start the deficiency review. While deficiency reviews may commence for Generation Interconnection Requests that are submitted without site control evidence that is acceptable to the Transmission Provider, such Generation Interconnection Requests shall 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 (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 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 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 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 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 shall be provided ten 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 Business Days to review each Interconnection Customer's response to the deficiency notice. If the Generation Interconnection Request is still deficient after the Transmission Provider's additional five Business Day review and the full ten Business Days of the Interconnection Customer's deficiency response period have expired, the Generation 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 Generation Interconnection Request shall be deemed to be terminated and withdrawn.
3. **[Reserved]**
4. In accordance with Tariff, Part VI, Preamble, section 201, the Transmission Provider shall assign Queue Positions as of the date and time of receipt of all information required pursuant to section 36.1.01 above. If the information required pursuant to section 36.1.01 above is provided to the Transmission

Provider in separate submissions, the Queue Position shall be assigned based on the date and time of receipt of the last required piece of information.

5. Deficiency notices shall 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 Tariff, Part IV. The list and the priority of Generation Interconnection Requests shall be included on the Transmission Provider's 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 Tariff, Part IV, Subpart G 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 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. To be assigned a PJM Queue Position pursuant to Tariff, Part VI, Preamble, 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 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:
 - a. 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
 - b. a description of the proposed Merchant Transmission Facilities; and
 - c. the nominal capability or increase in capability (in megawatts) of the proposed Merchant Transmission Facilities; and
 - d. 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
 - e. 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

- i. Transmission Injection Rights and/or Transmission Withdrawal Rights, or
 - ii. 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;
- f. if the Transmission Interconnection Customer will be eligible to receive Incremental Deliverability Rights under Tariff, Part VI, Subpart C, section 235, 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
- g. any additional information as may be prescribed by the Transmission Provider in the PJM Manuals; and
- h. Deposit.
- i. A deposit shall be submitted to the Transmission Provider as follows:
 - (1) 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 shall 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; or
 - (2) Provided that the maximum total deposit amount for a Transmission Interconnection Request submitted in the fifth calendar month of the current New Services Queue shall 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; or
 - (3) Provided that the maximum total deposit amount for a Transmission Interconnection Request submitted in the sixth calendar month of the current New Services Queue shall 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.

- ii. 10% of each total deposit amount is non-refundable. Any unused non-refundable deposit monies shall 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 shall be used to fund:
 - (1) 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
 - (2) Any restudies required as a result of the rejection, termination and/or withdrawal of such Transmission Interconnection Request; and/or
 - (3) 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.

- iii. 90% of each total deposit amount is refundable, and the Transmission Provider shall utilize, in no particular order, the refundable portion of each total deposit amount to cover the following:
 - (1) The cost of the Queue Position acceptance review; and
 - (2) The cost of the deficiency review of the Interconnection Customer's Transmission Interconnection Request (to determine whether the Transmission Interconnection Request is valid); and
 - (3) The dollar amount of the Interconnection Customer's cost responsibility for the Transmission Interconnection Feasibility Study; and

(4) If the Transmission Interconnection Request is deemed to be modified (pursuant to Tariff, Part IV, Subpart A, section 36.2A), 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 shall 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 shall be applied to cover:

(a) The costs of any restudies required as a result of the modification, rejection termination and/or withdrawal of such Transmission 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 Transmission 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 Transmission 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 shall be returned to the Interconnection Customer in accordance with the PJM Manuals.

iv. Upon completion of the Transmission Interconnection Feasibility Study, the Transmission Provider shall apply any remaining refundable deposit monies toward:

(1) The Interconnection Customer's cost responsibility for any other studies conducted for the Transmission Interconnection Request under Tariff, Part VI, which shall

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

- (2) 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.
 - v. 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 shall be returned to the Interconnection Customer.
 - vi. 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 shall be terminated prior to reaching the deficiency review stage).
 - vii. 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 shall start the deficiency review.
 - b. Pursuant to Section 9, Cost Responsibility, of the Transmission Interconnection Feasibility Study Agreement (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 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 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 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 shall be provided ten 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 Business Days to review the Interconnection Customer's response to the deficiency notice. If the Transmission Interconnection Request is still deficient after the Transmission Provider's additional five Business Day review and the full ten 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. **[Reserved]**
4. The Transmission Provider shall assign Queue Positions pursuant to Tariff, Part VI, Preamble, section 201 on the date and time of receipt of all the required information set forth in this section 36.1.03 above.
5. Deficiencies shall 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 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 the relevant PJM 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 the relevant PJM Transmission Interconnection Request, the relevant PJM 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 Tariff, Part IV or Tariff, Part VI. 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.

36.1.03A Transmission Interconnection Customers Requesting Merchant Network Upgrades

Notwithstanding section 36.1.03 above, an Interconnection Customer that proposes Merchant Network Upgrades (including advancing pursuant to Tariff, Part VI, Subpart B, section 220 or accelerating 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 Operating Agreement, Schedule 6) shall submit an Upgrade Request, with the required information and the required deposit for a System Impact Study, as set forth in Tariff, Attachment EE.

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 Tariff, Part III. Capacity Resources also may participate in Reliability Pricing Model Auctions and in Ancillary Services markets pursuant to the 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 Operating Agreement, Schedule 1, section 1.7.4(i), 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.

36.1.1A Service Below Generating Capability

The Transmission Provider shall consider requests for Interconnection Service below the full electrical generating capability of the Generating Facility. These requests for Interconnection Service shall be studied at the level of Interconnection Service requested for purposes of determining Interconnection Facilities, Network Upgrades, and associated costs, but may be subject to other studies at the full electrical generating capability of the Generating Facility to ensure the safety and reliability of the system, with the study costs borne by the Interconnection Customer. If after additional studies are complete, Transmission Provider determines that additional Network Upgrades are necessary, then Transmission Provider must: (i) specify which additional Network Upgrade costs are based on which studies; and (ii) provide a detailed explanation of why the additional Network Upgrades are necessary. Any Interconnection Facility and/or Network Upgrades costs required for safety and reliability also will be borne by

the Interconnection Customer. Interconnection Customers may be subject to additional control technologies as well as testing and validation of these technologies as set forth in the Interconnection Service Agreement. The necessary control technologies and protection systems shall be established in Tariff, Attachment O, Schedule K (Requirements for Interconnection Service Below Full Electrical Generating Capability) of the executed, or requested to be filed unexecuted Interconnection Service Agreement.

36.1.1B Surplus Interconnection Service Request

Requests for Surplus Interconnection Service may be made by the existing Interconnection Customer whose Generating Facility is already interconnected, or one of its affiliates, or by an unaffiliated Interconnection Customer. The existing Interconnection Customer or one of its affiliates has priority to use this service; however, if they do not exercise this priority, Surplus Interconnection Requests also may be made available to an unaffiliated Surplus Interconnection Customer. Surplus Interconnection Service is limited to utilizing or transferring an existing Generating Facility's Surplus Interconnection Service at the pre-existing Point of Interconnection of the existing Generating Facility and cannot exceed the existing Generating Facility's total amount of Interconnection Service, i.e., the total amount of Interconnection Service used by the Generating Facility requesting Surplus Interconnection Service and the existing Generating Facility shall not exceed the lesser of the Maximum Facility Output stated in the existing Generating Facility's Interconnection Service Agreement or the total "as-built capability" of the existing Generating Facility. If the Generating Facility requests Surplus Interconnection Service associated with an existing Generating Facility that is an Energy Resource, the Generating Facility requesting the Surplus Interconnection Service shall be an Energy Resource; and if the existing Generating Facility is a Capacity Resource, the Generating Facility requesting Surplus Interconnection Service associated with the Generating Facility may be an Energy Resource or a Capacity Resource (but only up to the amount of Capacity Interconnection Rights granted the existing Generating Facility). Surplus Interconnection Service cannot be granted if doing so would require new Network Upgrades or would have additional impacts affecting the determination of what Network Upgrades would be necessary to New Service Customers already in the New Services Queue or that have a material impact on short circuit capability limits, steady-state thermal and voltage limits, or dynamic system stability and response.

1. Surplus Interconnection Request Requirements. A Surplus Interconnection Customer seeking Surplus Interconnection Service must submit a complete and fully executed Surplus Interconnection Study Agreement, which form is located at Tariff, Attachment RR. To be considered complete at the time of submission, the Surplus Interconnection Customer's Surplus Interconnection Study Agreement must include, at a minimum, each of the following:
 - a. Specification of the location of the proposed surplus generating unit site or existing surplus 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

- b. Evidence of an ownership interest in, or right to acquire or control the surplus generating unit site for a minimum of three years, such as a deed, option agreement, lease or other similar document acceptable to the Transmission Provider; and
- c. The MW size of the proposed surplus generating unit or the amount of increase in MW capability of an existing surplus generating unit; and Identification of the fuel type of the proposed surplus generating unit or upgrade thereto; and
- d. Identification of the fuel type of the proposed surplus generating unit or upgrade thereto; and
- e. A description of the equipment configuration, and a set of preliminary electrical design specifications, and, if the surplus generating unit is wind generation facility, then the set of preliminary electrical design specifications must depict the wind plant as a single equivalent generator; and
- f. The planned date the proposed surplus generating unit or increase in MW capability of an existing surplus generating unit will be in service; and
- g. Any additional information as may be prescribed by the Transmission Provider in the PJM Manuals; and
- h. A description of the circumstances under which Surplus Interconnection Service will be available at the existing Generating Facility's Point of Interconnection; and
- i. A deposit in the amount of \$10,000 plus \$100 for each MW requested provided that the maximum total deposit amount for a Surplus Interconnection Request shall not exceed \$110,000. If any deposit monies remain after the Surplus Interconnection Study is complete and any outstanding monies owed by the Surplus Interconnection Customer in connection with outstanding invoices related to prior New Service Requests and/or Surplus Interconnection Requests by the Surplus Interconnection Customer have been paid, such remaining deposit monies shall be returned to the Surplus Interconnection Customer; and
- j. Identification of the specific, existing Generating Facility already interconnected to the PJM Transmission System providing Surplus Interconnection Service, including whether the Surplus Interconnection Customer requesting Surplus Interconnection Service is the owner or affiliate of the existing Generating Facility; and

- k. If the Surplus Interconnection Customer is an unaffiliated third party, the Surplus Interconnection Customer must submit with its Surplus Interconnection Study Agreement the following information and documentation acceptable to the Transmission Provider:
 - i. Written evidence from the owner of the existing Generating Facility granting Surplus Interconnection Customer permission to utilize the existing Generating Facility's unused portion of Interconnection Service established in the existing Generating Facility's Interconnection Service Agreement; and
 - ii. Written documentation stating that the owner of the surplus generating unit and the owner of the existing Generating Facility will have entered into, prior to the owner of the existing Generating Facility executing a revised Interconnection Service Agreement, a shared facilities agreement between the owner of the existing Generating Facility and the owner of the surplus generating unit detailing their respective roles and responsibilities relative to the Surplus Interconnection Service.
 - l. If an Energy Storage Resource, Surplus Interconnection Customer must submit primary frequency response operating range for the surplus generating unit.
2. Deficiency Review. Following the receipt of the Surplus Interconnection Study Agreement and requisite information and/or monies listed in section 36.1.1B.1.a – l above, Transmission Provider shall determine whether the listed requirements were submitted as valid or deficient. If deemed deficient by Transmission Provider, Surplus Interconnection Customer must submit the requisite information and/or monies acceptable to the Transmission Provider within ten Business Days of receipt of the Transmission Provider's notice of deficiency. Failure of the Interconnection Customer to timely provide information and/or monies identified in the deficiency notice shall result in the Surplus Interconnection Request being terminated and withdrawn. The Surplus Interconnection Service Request shall be considered valid as of the date and time the Transmission Provider receives from the Interconnection Customer the last piece of required information and/or monies deemed acceptable by the Transmission Provider to clear such deficiency notice.

36.1.2 No Applicability to Transmission Service:

Nothing in this Tariff, Part IV shall constitute a request for transmission service, or confer upon an Interconnection Customer any right to receive transmission service, under Tariff, Part II or Tariff, 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 Tariff, Part VI, Subpart A, section 202.

36.1.7 Base Case Data:

Transmission Provider shall maintain base case power flow, short circuit and stability databases, including all underlying assumptions, and contingency list on a password-protected website, subject to the confidentiality provisions of Tariff, Part VI, Subpart B, section 223. In addition, Transmission Provider shall maintain base case power flows and underlying assumptions on a password-protected website. Such base case power flows and underlying assumptions should reasonably represent those used during the most recent interconnection study. Transmission Provider may require Interconnection Customers and password-protected website users to sign any required confidentiality agreement(s) 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.

36.2A Modification of Interconnection Request:

The Interconnection Customer shall submit to the Transmission Provider, in writing, any modification to its project that causes the project's capacity, location, configuration or technology to differ from any corresponding information provided in the Interconnection Request. The Interconnection Customer shall retain its Queue Position if the modification is in accordance with sections 36.2A.1, 36.2A.3 or 36.2A.6, or, if not in accordance with one of those sections, is determined not to be a Material Modification pursuant to section 36.2A.4 below. Notwithstanding the above, during the course of the Interconnection Studies, the Interconnection Customer, the Interconnected Transmission Owner, or Transmission Provider may identify changes to the planned interconnection that may improve the costs and benefits (including reliability) of the interconnection, and the ability of the proposed change to accommodate the Interconnection Request. To the extent the identified changes are acceptable to the Transmission Provider and Interconnection Customer, such acceptance not to be unreasonably withheld, Transmission Provider shall modify the project's Point of Interconnection, capacity, and/or configuration in accordance with such changes and shall proceed with any re-studies that Transmission Provider finds necessary in accordance with Tariff, Part VI, Subpart A, section 205.5 and/or Tariff, Part VI, Subpart A, section 207.2, as applicable, provided, however, that a change to the Point of Interconnection shall be permitted without loss of Queue Position only if it would not be a Material Modification.

The following language for 36.2A.1 and 36.2A.3 apply to Interconnection Requests which have entered the New Services Queue prior to May 1, 2012:

36.2A.1 Prior to return of the executed System Impact Study Agreement to the Transmission Provider, an Interconnection Customer may modify its project to reduce by up to 60 percent the electrical output (MW) (in the case of a Generation Interconnection Request) or by up to 60 percent of the transmission capability (in the case of a Transmission Interconnection Request) of the proposed project. For increases in generating capacity or transmission capability, the Interconnection Customer must submit a new Interconnection Request for the additional capability and shall be assigned a new Queue Position for the additional capability.

36.2A.2 After the System Impact Study Agreement is executed and prior to execution of the Interconnection Service Agreement, an Interconnection Customer may modify its project to reduce the electrical output (MW) (in the case of a Generation Interconnection Request) or the transmission capability (in the case of a Transmission Interconnection Request) of the proposed project by up to the larger of 20 percent of the capability considered in the System Impact Study or 50 MW.

The following language for 36.2A.1 and 36.2A.3 apply to Interconnection Requests which have entered the New Services Queue on or after May 1, 2012:

36.2A.1 Modifications Prior to Executing A System Impact Study Agreement

36.2A.1.1 Prior to the commencement of the Feasibility Study, an Interconnection Customer may request to reduce by up to 60 percent of the electrical generating facility capability or Maximum Facility Output (MW) (in the case of a Generation Interconnection Request), through either (1) decrease in plant size or (2) a decrease in interconnection service level (consistent with the process described in Tariff, Part IV, Subpart A, section 36.1.1A or the capability (in the case of a Transmission Interconnection Request) without losing its current Queue Position. For Interconnection Requests received in months one through five of the New Services Queue the Interconnection Customer must identify this change prior to the close of business on the last day of the sixth month of the New Services Queue. For Interconnection Requests received during the sixth month of the New Services Queue the Interconnection Customer must identify this change no later than close of business on the day following the completion of the scoping meeting.

36.2A.1.2 After the start of the Feasibility Study, but prior to the return of the executed System Impact Study Agreement to the Transmission Provider, an Interconnection Customer may modify its project to reduce the size of the project as provided in this section 36.2A.1.2, subject to the limitation described in section 36.2A.7 below. The Interconnection Customer may reduce its project by up to 15 percent of the electrical generating facility capability or Maximum Facility Output (MW) (in the case of a Generation Interconnection Request), through either (1) a decrease in plant size or (2) a decrease in interconnection service level (consistent with the process described in Tariff, Part IV, Subpart A, section 36.1.1A or capability (in the case of a Transmission Interconnection Request) of the proposed project. For a request to reduce by more than 15 percent, an Interconnection Customer must request the Transmission Provider to evaluate if such a change would be a Material Modification and the Transmission Provider will allow the Interconnection Customer to reduce the size of its project: (i) to any size if the Transmission Provider determines the change is not a Material Modification; or (ii) by up to 60 percent of the electrical generating facility capability or Maximum Facility Output (MW) (in the case of a Generation Interconnection Request), through either (1) a decrease in plant size or (2) a decrease in interconnection service level (consistent with the process described in Tariff, Part IV, Subpart A, section 36.1.1A) or capability (in the case of a Transmission Interconnection Request) if the Transmission Provider determines the change is a Material Modification, however, such a project that falls within this subsection (ii) would be removed from its current Queue Position and will be assigned a new Queue Position at the beginning of the subsequent queue and a new Interconnection Feasibility Study will be performed consistent with the timing of studies for projects submitted in the subsequent queue. All projects assigned such new Queue Positions will retain their priority with respect to each other in their newly assigned queue and with respect to all later queue projects in subsequent queues, but will lose their priority with respect to other projects in the queue to which they were previously assigned. For increases in generating capacity or transmission capability, the Interconnection Customer must submit a new Interconnection Request for the additional capability and shall be assigned a new Queue Position for the additional capability.

36.2A.2 Modification of an Interconnection Request for Technological Changes

36.2A.2.1 For a request to modify a project to include a technological advancement, no later than the return of the executed Facilities Study Agreement (or, if a Facilities Study is not required, prior the return of an executed Interconnection Service Agreement) to the Transmission Provider, an Interconnection Customer may request to modify its Interconnection Request to include a Permissible Technological Advancement without losing its current Queue Position provided Interconnection Customer submits the new machine modeling data associated with such Permissible Technological Advancements no later than the return of the executed Facilities Study Agreement (or, if a Facilities Study is not required, prior to return of an executed Interconnection Service Agreement). The machine modeling data as specified in the PJM Manuals associated with the requested technological change must be submitted via the PJM website.

36.2A.2.2 For a request to modify an Interconnection Request to include a technological advancement that does not qualify as a Permissible Technological Advancement, prior to returning an executed Facilities Study Agreement (or, if a Facilities Study is not required, prior to returning an executed Interconnection Service Agreement) to the Transmission Provider, an Interconnection Customer may request in writing to modify its Interconnection Request to add a technological advancement. Such requests must also include machine modeling data as specified in the PJM Manuals and submitted via the PJM website. If PJM determines the data submitted with such request is incomplete or incorrect, PJM will reject such technological change request and the Interconnection Customer may resubmit its technological change request with the complete and/or accurate data. All technological advancement requests not qualifying as a Permissible Technological Advancement will require a study and be evaluated by the Transmission Provider to determine whether such change would constitute a Material Modification. Such evaluation will include an analysis of the short circuit capability limits, steady-state thermal and voltage limits, or dynamic system stability and response on subsequent-queued Interconnection Requests. If the Transmission Provider determines that the technological advancement is not a Material Modification, the Interconnection Customer may modify its Interconnection Request to include such technological advancement. If the Transmission Provider determines the change is a Material Modification, the Interconnection Customer must withdraw its technological advancement change request to retain its Queue Position or proceed with a new Interconnection Request with such technological change. PJM shall determine whether a technological advancement is a Material Modification within thirty (30) calendar days of receipt of the technological advancement request.

36.2A.3 Modifications After the System Impact Study Agreement but Prior to Executing an Interconnection Service Agreement

After the System Impact Study Agreement is executed and prior to execution of the Interconnection Service Agreement, an Interconnection Customer may modify its project to reduce the size of the project as provided in this section 36.2A.3, subject to the limitation described in section 36.2A.7 below. The Interconnection Customer may reduce its project by the greater of 10 MW or 5 percent of the electrical generating facility capability or Maximum Facility Output (MW) (in the case of a Generation Interconnection Request), through either (1) a

decrease in plant size or (2) a decrease in interconnection service level (consistent with the process described in Tariff, Part IV, Subpart A, section 36.1.1A) or capability (in the case of a Transmission Interconnection Request) of the proposed project. For a request to reduce by more than the greater of 10 MW or 5 percent, an Interconnection Customer must request the Transmission Provider to evaluate if such a change would be a Material Modification and the Transmission Provider will allow the Interconnection Customer to reduce the size of its project: (i) to any size if the Transmission Provider determines the change is not a Material Modification; or (ii) by up to the greater of 50 MW or 20 percent of the electrical generating facility capability or Maximum Facility Output (MW) (in the case of a Generation Interconnection Request), through either (1) a decrease in plant size or (2) a decrease in interconnection service level (consistent with the process described in Tariff, Part IV, Subpart A, section 36.1.1A) or capability (in the case of a Transmission Interconnection Request) if the Transmission Provider determines the change is a Material Modification, however, such a project that falls within this subsection (ii) would be removed from its current Queue Position and will be assigned a new Queue Position at the beginning of the subsequent queue and a new System Impact Study will be performed consistent with the timing of studies for projects submitted in the subsequent queue. All projects assigned such new Queue Positions will retain their priority with respect to each other in their newly assigned queue and with respect to all later queue projects in subsequent queues, but will lose their priority with respect to other projects in the queue to which they were previously assigned.

36.2A.4

Prior to making any modifications other than those specifically permitted by sections 36.2A.1, 36.2A.3 and 36.2A.6, the Interconnection Customer may first request that the Transmission Provider evaluate whether such modification is a Material Modification. In response to the Interconnection Customer's request, the Transmission Provider shall evaluate the proposed modifications prior to making them and shall inform the Interconnection Customer in writing of whether the modification(s) would constitute a Material Modification. For purposes of this section 36.2A.4, any change to the Point of Interconnection (other than a change deemed acceptable under sections 36.1.5, 36.2.1, or 36.2A.1) or increase in generating capacity shall constitute a Material Modification. The Interconnection Customer may then withdraw the proposed modification or proceed with a new Interconnection Request for such modification.

36.2A.5

Upon receipt of the Interconnection Customer's request for modification under section 36.2A.4, the Transmission Provider shall commence and perform any necessary additional studies as soon as practicable, but, except as otherwise provided in this Subpart A, the Transmission Provider shall commence such studies no later than thirty (30) calendar days after receiving notice of the Interconnection Customer's request. Any additional studies resulting from such modification shall be done at the Interconnection Customer's expense. Transmission Provider shall not require a separate deposit for any additional studies required as a result of Interconnection Customer's request for modification under section 36.2A.4 above. Instead, all such study costs shall be invoiced and paid as work to be conducted under the Feasibility Study, System Impact Study, or Facilities Study, as applicable.

36.2A.6

Extensions of less than three (3) cumulative years in the projected date of Initial Operation of the Customer Facility are not material and shall be handled through construction sequencing.

The proposed Commencement Date can be extended (i) after the scoping meeting, once study timing is fully understood, not to exceed seven (7) years; (ii) due to study delays; or (iii) due to associated Network Upgrade construction timing.

The following language applies to Interconnection Requests which have entered the New Services Queue on or after May 1, 2012.

36.2A.7

An Interconnection Customer may be assigned a new queue position as provided for in sections 36.2A.1.2 or 36.2A.3 a total of two times for any single Interconnection Request. In the event that Interconnection Customer seeks to reduce the size of its project such that Transmission Provider determines the change is a material modification, and such change would result in the third assignment of a new queue position under sections 36.2A.1 .2 or 36.2A.3, then the Interconnection Request shall be terminated and withdrawn if the Interconnection Customer proceeds with such change.

205.2 Scope of Studies:

The System Impact Study is a comprehensive regional analysis of the effect of adding to the Transmission System the new facilities and services contemporaneously proposed by New Service Customers and an evaluation of their impact on deliverability to the aggregate of PJM Network Load. The System Impact Study identifies the system constraints, identified with specificity by transmission element or flowgate, relating to each proposed new project and service included therein and the Attachment Facilities, Merchant Network Upgrades, Direct Assignment Facilities, Local Upgrades, Network Upgrades, and/or Contingent Facilities required to accommodate such projects. The System Impact Study provides refined and comprehensive estimates of cost responsibility and construction lead times for new facilities and system upgrades. The Transmission Provider, in its sole discretion, may determine to evaluate in the same System Impact Study two or more New Service Requests relating to interconnections, Upgrade Requests, or proposed new transmission services where the associated increases in service or capability are in electrical proximity to each other. The scope of the System Impact Study may include (a) an assessment of sub-area import deliverability, (b) an assessment of sub-area export deliverability, (c) an assessment of project related short circuit duty issues, (d) a contingency analysis consistent with NERC's and each Applicable Regional Entity's reliability criteria, (e) an assessment of regional transmission upgrades that most effectively meet identified needs, and (f) an analysis to determine cost allocation responsibility for required facilities and upgrades. In addition, each System Impact Study shall identify the system constraints, identified with specificity by transmission element or flowgate in accordance with the distribution factor effect, megawatt contribution or fault duty contribution, relating to the New Service Requests being evaluated in the study and, as applicable to each included request, the redispatch options, additional Direct Assignment Facilities, necessary Merchant Network Upgrades, Attachment Facilities, Local Upgrades, Network Upgrades and/or Contingent Facilities necessary to accommodate such request. For purposes of determining necessary Interconnection Facilities and Network Upgrades, the System Impact Study shall consider the level of Interconnection Service requested by the Interconnection Customer unless otherwise required to study the full electrical generating capability of the Generating Facility due to safety or reliability concerns. The System Impact Study report shall include the list and facility loading of all newly-identified reliability criteria violations or contributions to a previously-identified reliability criteria violation specific to the New Service Request. The System Impact Study shall refine and more comprehensively estimate each New Service Customer's cost responsibility (determined in accordance with Tariff, Part VI, Subpart B, section 217) for necessary facilities and upgrades than the estimates provided in the Interconnection Feasibility Study or the Firm Transmission Feasibility Study, if applicable. In the event that more than one New Service Request is evaluated in a study, the Transmission Provider may provide a series of estimates to each participating New Service Customer to reflect the customer's estimated cost responsibility based on varying assumptions regarding the number of New Service Customers that decide to continue their New Service Requests after completion of the System Impact Study. A description of the Transmission Provider's methodology for completing a System Impact Study for Completed Applications is provided in Tariff, Attachment D. If applicable, the System Impact Study for a Transmission Interconnection Customer shall also include a preliminary estimate of the Incremental Deliverability Rights associated with the customer's proposed Merchant Transmission Facilities.

205.2.1 Contingent Facilities

Transmission Provider shall identify the Contingent Facilities to be provided to Interconnection Customer in the System Impact Study by reviewing unbuilt Interconnection Facilities and/or Network Upgrades (including those still subject to cost allocation in accordance with the PJM Manuals) associated with another Interconnection Customer with a higher queue priority upon which the Interconnection Customer's cost, timing and study findings are dependent and, if delayed or not built, could cause a need for interconnection restudies of the Interconnection Request or reassessment of the unbuilt Interconnection Facilities and/or Network Upgrades. The method for identifying Contingent Facilities shall be sufficiently transparent to determine why a specific Contingent Facility was identified and how it relates to the Interconnection Request. Transmission Provider shall include the list of the Contingent Facilities in the System Impact Study, Facilities Study, if applicable, and Interconnection Service Agreement, including why a specific Contingent Facility was identified and how it relates to the Interconnection Request. Transmission Provider shall also provide, upon request of the Interconnection Customer, the estimated Interconnection Facility and/or Network Upgrade costs and estimated in-service completion time of each identified Contingent Facility when this information is readily available and non-commercially sensitive.

205.2.2 Minimum Thresholds to Identify Contingent Facilities

205.2.2.1 Load Flow Violations

Load flow violations will be identified based on the following criteria: (i) the first New Service Request to load a facility to over 100 percent of the rating in the applicable model; and (ii) an impact on a previously identified overload of at least 5 percent distribution factor (DFAX) or contributing at least 5 percent of the facility rating in the applicable model.

205.2.2.2 Short Circuit Violations

Short circuit violations will be identified based on the following criteria: (i) the first New Service Request to load any facility to over 100 percent of the rating in the applicable model; and (ii) any contribution to a previously overloaded facility where the New Service Request increases the fault current impact by 3 percent or greater of the rating in the applicable model.

205.2.2.3 Stability and Dynamic Criteria Violations

Stability and dynamic criteria violations will be identified based on the following criteria: (i) the first New Service Request to cause a new stability violation; and (ii) any contribution to a previously identified stability violation.