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August 26, 2021

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. ER21-2771-000
Tariff Revisions Regarding Interconnection Construction Service Agreement Superseding
Language and Automatic Termination Provision*

Dear Secretary Bose:

Pursuant to section 205 of the Federal Power Act,¹ and part 35 of the Federal Energy Regulatory Commission (“Commission” or “FERC”) regulations,² PJM Interconnection, L.L.C. (“PJM”) hereby submits for filing revisions to PJM’s Open Access Transmission Tariff (“Tariff”), Attachment P (Form of Interconnection Construction Service Agreement (“ICSA”)).³ These Tariff revisions to specific provisions of PJM’s ICSA are designed to reduce associated administrative burdens and inefficiencies on PJM’s resources devoted to its interconnection process. Specifically, the proposed revisions (1) add language to Tariff, Attachment P, section 1 to account for circumstances when an ICSA supersedes an already-effective ICSA and (2) restructure Tariff, Attachment P, Appendix 2, section 14.1.1 to clarify when ICSAs terminate upon completion of construction in a manner that provides PJM and the affected Construction Entities with the

¹ 16 U.S.C. § 824d.

² 18 C.F.R. part 35.

³ All capitalized terms that are not otherwise defined herein have the meaning as defined in the Tariff, Amended and Restated Operating Agreement of PJM Interconnection, L.L.C., and Reliability Assurance Agreement among Load Serving Entities in the PJM Region.

requisite level of awareness to effectively manage such terminations. The proposed revisions also include minor, non-substantive revisions to Tariff, Attachment P, Appendix 2, section 14.1.

The proposed revisions submitted herein were overwhelmingly endorsed by the PJM stakeholder body. Accordingly, PJM files the proposed Tariff revisions as Attachment A (marked) and Attachment B (clean), and requests that the enclosed revisions become effective on October 26, 2021, sixty-one days post filing.

I. BACKGROUND

PJM's *pro forma* ICSA is set forth in Tariff, Attachment P. An Interconnection Customer, Interconnected Transmission Owner, and PJM enter into an ICSA pursuant to Tariff, Part VI, Subpart B for interconnections within the scope of Tariff, Part VI, Subpart B, section 212 for construction of Attachment Facilities, Network Upgrades, and/or Local Upgrades and coordination of the construction and interconnection of an associated Customer Facility. PJM, as administrator of the Tariff, drafts, circulates for review and execution, executes, reports in its Electric Quarterly Reports ("EQRs"), files (as necessary),⁴ implements and administers through completion of construction,⁵ and cancels (as appropriate) the ICSAs. Thus, given PJM's extensive administrative responsibilities associated with the ICSA, it is important the *pro forma* ICSA's provisions provide for efficiencies, particularly in light of the extremely large number of New Service Requests in recent queue windows. Two current provisions in PJM's *pro*

⁴ PJM files non-conforming ICSAs in accordance with 18 C.F.R. § 35.1.

⁵ PJM's ICSA implementation and administration activities include keeping itself apprised of the status of the Construction Entities' construction-related activities, meeting with the Construction Entities, facilitating resolution of disputes between the Construction Entities, reviewing drawings, drafting and circulating for execution scope changes, drafting and circulating amendment and assignment documents, managing the suspension process, reviewing inspection and testing reports, invoicing, and managing the breach process.

forma ICSA, however, have caused PJM increased administrative burdens and inefficiencies over time: Tariff, Attachment P, section 1 and Tariff Attachment P, Appendix 2, section 14.1.1.

First, Tariff, Attachment P, section 1 sets forth the parties to the ICSA.⁶ Section 1 of the ICSA is structured similarly to section 1 of Tariff, Attachment O (Form of Interconnection Service Agreement (“ISA”)), with one notable difference. Unlike section 1 of PJM’s *pro forma* ISA, section 1 of PJM’s *pro forma* ICSA does not contain language accounting for circumstances when the service agreement being executed is superseding an already-effective service agreement. The lack of such language creates administrative issues, which are discussed in more detail below.

Second, Tariff, Attachment P, Appendix 2, section 14.1.1 sets forth conditions for the ICSA to terminate automatically, by its own terms, upon completion of construction. Specifically, this provision currently states that the ICSA will terminate upon the occurrence of the last of four conditions:⁷ (1) completion of construction of all Interconnection Facilities; (2) transfer of title under Section 5 of Appendix 2;⁸ (3) final payment of all Costs due and owing under the ICSA; and (4) the delivery to the Interconnected Transmission Owner of final “as-built” drawings of any Interconnection Facilities built by the Interconnection Customer.⁹ Because the occurrence of these conditions are not all within PJM’s control, PJM is not always aware that such conditions have

⁶ See Tariff, Attachment P, section 1. This provision also indicates that capitalized terms used in the ICSA shall have the meanings set forth in the appended definitions of such terms as stated in Part I of the Tariff.

⁷ See Tariff, Attachment P, Appendix 2, section 14.1.1.

⁸ Tariff, Attachment P, Appendix 2, section 5.5 sets forth the process for the Interconnection Customer to transfer to the Interconnected Transmission Owner title to any Transmission Owner Interconnection Facilities constructed by the Interconnection Customer. Tariff, Attachment P, Appendix 2, section 14.1.1(ii) is applicable in the event that the Interconnection Customer exercises the Option to Build pursuant to section 3.2.3.1 of Appendix 2.

⁹ Tariff, Attachment P, Appendix 2, section 14.1.1(iv) is applicable in the event that the Interconnection Customer exercises the Option to Build pursuant to section 3.2.3.1 of Appendix 2.

occurred; thus, identifying the termination of an ICSA pursuant to Appendix 2, section 14.1.1, and timely reflecting the termination in EQR and making the necessary FERC filings, can be difficult.

II. STAKEHOLDER PROCESS AND SUPPORT FOR THE PROPOSED REVISIONS TO TARIFF, ATTACHMENT P

The proposed revised Tariff sheets were subject to PJM's more focused Quick Fix process that commenced at the Planning Committee ("PC") on March 9, 2021 and were supported or deemed acceptable by stakeholders. Between March and May 2021, PJM worked with stakeholders to incorporate revisions to PJM's originally proposed Tariff language to address stakeholder concerns.¹⁰ On May 11, 2021, the PC overwhelmingly approved the Issue Charge and endorsed the proposed solution for this matter.¹¹ On May 26, 2021, PJM presented the proposed solution and Tariff redline changes to the Markets and Reliability Committee ("MRC").¹² On June

¹⁰ On April 22, 2021, PJM presented the matter and discussed incorporation of stakeholder feedback into the Tariff redline changes at the Transmission Owners Agreement-Administrative Committee public meeting. See *Final PJM TOA-AC Open-Session Agenda*, Consolidated Transmission Owners Agreement Administrative Committee, <https://www.pjm.com/-/media/committees-groups/committees/toa-ac/2021/20210422/20210422-agenda.ashx> (Apr. 22, 2021).

¹¹ See *Minutes – May Planning Committee*, PJM Interconnection, L.L.C. (May 11, 2021), <https://www.pjm.com/-/media/committees-groups/committees/pc/2021/20210511/20210511-minutes.ashx>. PJM posted the proposed Tariff redline changes for informational purposes only at this stage of the stakeholder process, so the PC only approved the proposed Issue Charge and endorsed the proposed solution. In addition to the Issue Charge and proposed solution, PJM presented a Problem/Opportunity Statement. Together, the materials described the problems faced by PJM as a result of current Tariff, Attachment P, section 1 and Tariff Attachment P, Appendix 2, section 14.1.1, the key work activities and scope of the initiative, and recommended a proposed solution to these provisions to address the administrative burdens and inefficiencies. See *Issue Charge – Interconnection Construction Service Agreement (ICSA) Superseding Language and Automatic Termination Provision*, PJM Interconnection L.L.C., <https://www.pjm.com/-/media/committees-groups/committees/pc/2021/20210309/20210309-item-07c-icsa-superseding-language-and-automatic-termination-provision-issue-charge.ashx>; see *Problem/Opportunity Statement – Interconnection Construction Service Agreement (ICSA) Superseding Language and Automatic Termination Provision*, PJM Interconnection L.L.C., <https://www.pjm.com/-/media/committees-groups/committees/pc/2021/20210309/20210309-item-07b-icsa-superseding-language-and-automatic-termination-provision-problem-statement.ashx>; see Mark Sims, *Interconnection Construction Service Agreement (ICSA) Superseding Language and Automatic Termination Provision*, PJM Interconnection, L.L.C. (Mar. 9, 2021), <https://www.pjm.com/-/media/committees-groups/committees/pc/2021/20210309/20210309-item-07a-interconnection-construction-service-agreement-superseding-language-and-auto-termination.ashx>.

¹² See Mark Sims, *Interconnection Construction Service Agreement (ICSA) Superseding Language and Automatic Termination Provision*, PJM Interconnection, L.L.C. (May 26, 2021), <https://www.pjm.com/-/media/committees-groups/committees/mrc/2021/20210526/20210526-item-03-1-icsa-superseding-language-and-auto-termination-presentation.ashx>.

23, 2021, PJM presented the matter to the MRC for endorsement.¹³ Following a discussion, the MRC endorsed the proposal by acclamation with no objections and one abstention.¹⁴ On July 28, 2021, PJM presented the matter to the Members Committee (“MC”) for endorsement as part of the Consent Agenda. The MC endorsed the Consent Agenda by acclamation, with one objection and one abstention.¹⁵

III. PROPOSED TARIFF REVISIONS

As indicated above, the proposed Tariff revisions in this filing are designed to reduce certain administrative burdens and inefficiencies on PJM’s resources devoted to its interconnection process by (1) adding *pro forma* language to Tariff, Attachment P, section 1 to account for circumstances when an ICSA supersedes an already-effective ICSA, and (2) restructuring Tariff, Attachment P, Appendix 2, section 14.1.1 to clarify when ICSAs terminate upon completion of construction in a manner that provides PJM and the affected Construction Entities with the requisite level of awareness to effectively manage such terminations. Additionally, the proposed revisions include minor, non-substantive revisions to Tariff, Attachment P, Appendix 2, section 14.1.

A. *Proposed Revisions to Tariff, Attachment P, section 1 (Superseding Language Provision)*

¹³ See Mark Sims, *Interconnection Construction Service Agreement (ICSA) Superseding Language and Automatic Termination Provision*, PJM Interconnection, L.L.C. (June 23, 2021), <https://www.pjm.com/-/media/committees-groups/committees/mrc/2021/20210623/20210623-item-01-1-icsa-superseding-language-and-auto-termination-presentation.ashx>.

¹⁴ See *Minutes – Markets and Reliability Committee*, PJM Interconnection, L.L.C. (June 23, 2021), <https://www.pjm.com/-/media/committees-groups/committees/mrc/2021/20210728/20210728-consent-agenda-a-draft-mrc-minutes-06232021.ashx>.

¹⁵ The one objection and one abstention were associated with a matter unrelated to this ICSA matter.

Again, Tariff, Attachment P, section 1 identifies the parties to the ICSA (*i.e.*, the applicable Interconnection Customer, the applicable Interconnected Transmission Owner, and PJM).¹⁶ This section 1 of PJM's *pro forma* ICSA is similar to section 1 of PJM's *pro forma* ISA¹⁷ except that it does not contain language accounting for circumstances when the service agreement being executed is superseding an already-effective service agreement.¹⁸ The lack of such language causes PJM certain administrative burdens and creates inefficiencies that can be easily remedied by modifying section 1 of PJM's *pro forma* ICSA in accordance with the proposed revisions set forth below.

First, adding language addressing circumstances when an ICSA is superseding an already-effective ICSA will assist PJM to more accurately draft ICSAs and reduce the likelihood of inadvertently overlooking an existing ICSA that should be superseded by the ICSA being drafted. Including such language in PJM's *pro forma* ICSA will require the drafter to affirmatively decide whether to incorporate the language in the relevant ICSA, thereby necessitating research to determine whether an ICSA to be superseded exists.

Second, adding the above-referenced language to PJM's *pro forma* ICSA will reduce the number of non-conforming revisions in ICSAs. Today, in circumstances where an ICSA is superseding an already-effective ICSA, PJM has to insert into section 1 the language addressing

¹⁶ The provision also indicates that capitalized terms used in the ICSA shall have the meanings set forth in the appended definitions of such terms as stated in Part I of the Tariff.

¹⁷ See Tariff, Attachment O, section 1.

¹⁸ Tariff, Attachment O, section 1 contains the following language:

[Use as/when applicable: This ISA supersedes the _____
{insert details to identify the agreement being superseded, such as whether it is an Interim Interconnection Service Agreement, Interconnection Service Agreement, or Interconnection Agreement, the effective date of the agreement, the service agreement number designation, and the FERC docket number, if applicable, for the agreement being superseded.}]

those circumstances. Because such language is not currently incorporated into Tariff, Attachment P, section 1, PJM considers those provisions when incorporated into ICSAs as non-conforming and, therefore, PJM files those ICSAs with the Commission,¹⁹ rather than simply reporting them in PJM's EQRs.²⁰ Accepting the revision proposed below would eliminate the need for the Commission to review and take action upon a filing in cases where incorporation of this non-conforming language is the only non-conforming provision in an ICSA.

Therefore, PJM proposes to include a provision, including instructional language, in Tariff, Attachment P, section 1 to account for circumstances when an ICSA is superseding an already-effective ICSA. Specifically, PJM proposes to revise section 1.0 as follows:

1.0 . . .

All capitalized terms herein shall have the meanings set forth in the appended definitions of such terms as stated in Part I of the Tariff. [Use as/when applicable: This CSA supersedes the CSA among _____ {insert details to identify the CSA being superseded, including the effective date, the service agreement number designation, and the FERC docket number, if applicable, for the CSA being superseded.}].

Again, these proposed revisions mirror language that is already contained within PJM's *pro forma* ISA.²¹ Additionally, the Commission has accepted ICSAs with similar provisions.²²

¹⁹ See 18 C.F.R. § 35.1.

²⁰ See e.g., *PJM Interconnection, L.L.C.*, Service Agreement Nos. 5615 and 5500; Queue No. AC1-216, Docket No. ER20-1586-000 (April 17, 2020); *PJM Interconnection, L.L.C.*, First Revised ISA, SA No. 4904 and ICSA, SA No. 4952; Queue No. AA2-119/AC1-055/AD2-192, Docket No. ER19-2449 -000 (July 24, 2019)

²¹ See Tariff, Attachment O, section 1.

²² See *PJM Interconnection, L.L.C.*, Letter Order, Interconnection Service Agreement No. 5615 and Interconnection Construction Service Agreement No. 5500, Docket No. ER20-1586-000 (June 15, 2020); *PJM Interconnection, L.L.C.*, Letter Order, Letter Order, Revised Interconnection Service Agreement No. 4904 and Revised Interconnection Construction Service Agreement No. 4952, Docket No. ER19-2449-000 (Sept. 6, 2019); *PJM Interconnection, L.L.C.*, Letter Order, Submission of Interconnection Agreements, Docket No. ER18-74-000 (Nov. 29, 2017); *PJM Interconnection, L.L.C.*, Letter Order, First Revised Construction Service Agreement No. 3477, Docket No. ER15-2675-000 (Oct. 15, 2015).

B. Proposed Revisions to Tariff, Attachment P, Appendix 2, section 14.1 (Automatic Termination Provision)

Tariff, Attachment P, Appendix 2, section 14.1.1 contains PJM's *pro forma* ICSA's standard terms and conditions for termination upon completion of construction. Section 14.1.1 states that the ICSA,

shall terminate upon the later of the following: (i) completion of construction of all Interconnection Facilities; (ii) transfer of title under Section 5 of this Appendix 2; (iii) final payment of all Costs due and owing under this Interconnection Construction Service Agreement; and (iv) the delivery to the Interconnected Transmission Owner of final "as-built" drawings of any Interconnection Facilities built by the Interconnection Customer.²³

Thus, an ICSA terminates automatically, by its own terms, upon the occurrence of the last of these conditions. The occurrence of these conditions, however, can be difficult for PJM to track because they are not all within PJM's control. PJM is not always aware that such conditions have occurred because it has no independent knowledge of the status of the conditions and has not otherwise been made aware of their occurrence.

For example, regarding the transfer of title under Section 5 of Appendix 2 of the ICSA and delivery to the Interconnected Transmission Owner of final "as-built" drawings of any Interconnection Facilities built by the Interconnection Customer, PJM has no involvement in and is not always aware whether such activities have occurred. Notwithstanding PJM's potential lack of knowledge of the occurrence of any of these conditions, as drafted, the ICSA terminates automatically upon the last of these four conditions occurring, which triggers an obligation for PJM, in accordance with Commission regulations and orders, to update its EQR and, as applicable, file with the Commission a notice of cancellation of the relevant ICSA.²⁴ Therefore, for the

²³ See Tariff, Attachment P, Appendix 2, section 14.1.1.

²⁴ See 18 C.F.R. § 35.10b; 18 C.F.R. § 35.15(a); FERC Order No. 2001, Revised Public Utility Filing Requirements, 99 FERC ¶ 61,107, at P 321 (2002) ("When an agreement expires, the actual termination date will be entered into the

purpose of effectuating termination of the ICSA upon completion of construction, knowledge of the occurrence of these conditions is important.

To remedy this gap within existing Tariff, Attachment P, Appendix 2, section 14.1.1 and provide additional clarity, PJM proposes to restructure this section to clarify when ICSAs terminate upon completion of construction in a manner that provides the requisite level of awareness to effectively manage such terminations. The proposed revisions are as follows:

14.1 Termination

14.1.1 Upon Completion of Construction:

14.1.1.1 Conforming Interconnection Construction Service Agreements

If ~~This~~ this Interconnection Construction Service Agreement is conforming and, therefore, is only reported to the Commission on PJM's Electric Quarterly Report, it shall terminate upon the date Transmission Provider receives written notice, in a form acceptable to Transmission Provider, from Interconnected Transmission Owner that the ~~later of the~~ following conditions have occurred: (i) completion of construction of all Interconnection Facilities; (ii) if Interconnection Customer exercised the Option to Build, transfer of title under Tariff, Attachment P, Appendix 2, ~~Section~~ section 5.5 of this Appendix 2; (iii) final payment of all Costs due and owing under this Interconnection Construction Service Agreement; and (iv) if Interconnection Customer exercised the Option to Build, ~~the~~ delivery to the Interconnected Transmission Owner of final "as-built" drawings of any Interconnection Facilities built by ~~the~~ Interconnection Customer in accordance with Tariff, Attachment P, Appendix 2, section 3.2.3.2(a)(xi).

14.1.1.2 Non-Conforming Interconnection Construction Service Agreements

If this Interconnection Construction Service Agreement is non-conforming and, therefore, has been filed with and accepted by the Commission, it shall terminate upon (a) Transmission Provider receiving written notice, in a form acceptable to Transmission Provider, from Interconnected Transmission Owner that the following conditions have occurred: (i) completion of construction of all Interconnection Facilities; (ii) if Interconnection Customer exercised the Option to Build, transfer of title under Tariff, Attachment P, Appendix 2, section 5.5; (iii) final payment of all Costs due and owing under this Interconnection Construction Service Agreement; and (iv) if Interconnection Customer exercised the Option to Build, delivery to Interconnected Transmission Owner of final "as-built" drawings

of any Interconnection Facilities built by Interconnection Customer in accordance with Tariff, Attachment P, Appendix 2, section 3.2.3.2(a)(xi); and (b) the effective date of Transmission Provider's cancellation of the Interconnection Construction Service Agreement in accordance with Commission rules and regulations. Transmission Provider shall serve the Interconnected Transmission Owner and Interconnection Customer with a copy of the notice of cancellation of any Interconnection Construction Service Agreement in accordance with Commission rules and regulations.

14.1.2 Upon Default By Either Constructing Entity:

Either Constructing Entity may terminate its obligations hereunder in the event of a Default by the other Constructing Entity as defined in Tariff, Attachment P, Appendix 2, Section-section 13.3-of this Appendix 2.

14.1.3 By Interconnection Customer:

Subject to its payment of Cancellation Costs as explained in Tariff, Attachment P, Appendix 2, Section-section 14.3-below, the Interconnection Customer may be relieved of its obligations hereunder upon sixty (60) days written notice to Transmission Provider and the Interconnected Transmission Owner.

As shown above, the proposed revisions modify section 14.1.1 by restructuring the section into two subsections: section 14.1.1.1, which is applicable to conforming ICSAs, and section 14.1.1.2, which is applicable to non-conforming ICSAs. Notably, the conditions that are required to be completed prior to termination of the ICSA under proposed revised section 14.1.1 remain substantively the same as the conditions that are required to be completed prior to termination of the ICSA under current section 14.1.1 (*i.e.*, completion of construction of all Interconnection Facilities; transfer of title under Tariff, Attachment P, Appendix 2, section 5; final payment of all Costs due and owing under the ICSA; and delivery to Interconnected Transmission Owner of final “as-built” drawings of any Interconnection Facilities built by Interconnection Customer). The key differences, as discussed below, are that under the proposed revisions to section 14.1.1: (1) in order for any ICSA, conforming and non-conforming, to terminate upon completion of construction, PJM must receive notice of the occurrence of the conditions; and (2) for non-conforming ICSAs,

in addition to PJM receiving the aforementioned notice, such ICSAs terminate upon the effective date of PJM's cancellation of the ICSA in accordance with Commission rules and regulations.

First, new proposed section 14.1.1.1 sets forth when a conforming ICSA terminates upon completion of construction. Unlike current section 14.1.1, which calls for termination of an ICSA upon the *occurrence* of the last of the four conditions, new section 14.1.1.1 proposes to make termination of a conforming ICSA contingent upon PJM receiving written notice of the occurrence of all four conditions from the Interconnected Transmission Owner ("conditions occurrence notice").

Second, new proposed section 14.1.1.2 sets forth when a non-conforming ICSA terminates upon completion of construction. Like new proposed section 14.1.1.1, termination of a non-conforming ICSA by its own terms requires the conditions occurrence notice. Under the proposed revised Tariff language, a non-conforming ICSA will terminate upon (1) PJM's receipt of the conditions occurrence notice *and* (2) the effective date of PJM's cancellation of such ICSA in accordance with Commission rules and regulations. These revisions reflect the reality of the additional step (filing a notice of cancellation) PJM must take to effectively terminate a non-conforming ICSA.²⁵ To address stakeholder concerns regarding having awareness of PJM's notice of cancellation filings, the proposed revisions include a sentence indicating that PJM will serve the other parties to the ICSA with a copy of the notice of cancellation of such ICSA in accordance with Commission rules and regulations.²⁶

²⁵ See 18 C.F.R. § 35.15(a).

²⁶ This sentence was added to provide the affected Construction Entities with assurance that they will have the requisite information to make any necessary updates to their EQRs. Such a sentence is not necessary under new proposed section 14.1.1.1 because the affected Construction Entities will know the ICSA is terminated upon the Interconnected Transmission Owner providing the conditions occurrence notice to PJM.

In addition, as part of the overall clean-up of Tariff, Attachment P, Appendix 2, section 14.1, PJM is proposing a number of non-substantive, ministerial revisions as reflected in Attachments A and B. These minor revisions are primarily for consistency in cross-references to other Tariff sections, and to make minor linguistic or other changes.²⁷

IV. EFFECTIVE DATE AND WAIVER REQUEST

Consistent with the Commission's prior notice requirements, 18 C.F.R. § 35.3(a)(1), PJM requests an effective date for the proposed Tariff changes of October 26, 2021, which is sixty-one days from the date of this filing. Additionally, this filing is being submitted under the abbreviated filing requirements set forth in 18 C.F.R. § 35.13(a)(2) because it does not reflect a rate increase. To the extent necessary, PJM seeks waiver of any other Commission filing requirements necessary to allow the Commission to accept this filing.

V. ADDITIONAL INFORMATION

A. Documents Included with Filing

In addition to this transmittal letter, the following documents are included in this filing:

Attachment A – Revised Tariff Sheets (marked); and

Attachment B – Revised Tariff Sheets (clean).

B. Communications and Correspondence

All notices, communications or correspondences addressed to PJM regarding this matter should be directed to, and PJM requests that the Secretary include on the Commission's official service list, the following:

²⁷ These revisions include cross references to the ICSA's Option to Build provisions in proposed revised section 14.1.1. Under the ICSA, the conditions that require transfer of title and delivery of final "as built" drawings are relevant when the Interconnection Customer elects the Option to Build and, thus, the cross references provide clarity.

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C. Service

PJM has served a copy of this filing on all PJM Members and on the affected state utility regulatory commissions in the PJM Region by posting this filing electronically. In accordance with the Commission's regulations,²⁸ PJM will post a copy of this filing to the FERC filings section of its internet site, located at the following link: <https://www.pjm.com/library/filing-order.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 Region²⁹ 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 twenty-four hours of the filing.

²⁸ See 18 C.F.R. §§ 35.2(e) and 385.2010(f)(3).

²⁹ PJM already maintains, updates, and regularly uses e-mail lists for all PJM Members and affected state commissions.

VI. CONCLUSION

PJM respectfully requests that the Commission accept the Tariff provisions proposed herein to be effective October 26, 2021, without condition or modification.

Respectfully submitted,

By: /s/ Alejandro Bautista

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ATTACHMENT A
MARKED TARIFF

ATTACHMENT P

**FORM OF
INTERCONNECTION CONSTRUCTION SERVICE AGREEMENT**

**By and Among
PJM Interconnection, L.L.C.**

And

[Name of Interconnection Customer]

And

[Name of Interconnected Transmission Owner]

(PJM Queue Position # ___)

- 1.0 Parties. This Interconnection Construction Service Agreement (“CSA”) including the Schedules and Appendices attached hereto and incorporated herein, is entered into by and between PJM Interconnection, L.L.C. (“Transmission Provider” or “PJM”) and the following Interconnection Customer and Interconnected Transmission Owner:

Interconnection Customer:

[full name] [OPTIONAL: (also referred to as “[short name”])]_____

Interconnected Transmission Owner:

[full name] [OPTIONAL: (also referred to as “[short name”])]_____

All capitalized terms herein shall have the meanings set forth in the appended definitions of such terms as stated in Part I of the Tariff. [Use as/when applicable: This CSA supersedes the CSA among _____ {insert details to identify the CSA being superseded, including the effective date, the service agreement number designation, and the FERC docket number, if applicable, for the CSA being superseded.}].

- 2.0 Authority. This CSA is entered into pursuant to Part VI of the Tariff. The standard terms and conditions for construction are attached at Appendix 2 to this CSA and are hereby specifically incorporated as provisions of this agreement. Transmission Provider, the Interconnection Customer and the Interconnected Transmission Owner agree to and assume all of their respective rights and obligations as set forth in the standard terms and conditions for construction in Appendix 2 to this CSA. Further, Interconnection Customer and the Interconnected Transmission Owner each agrees to and assumes all of the rights and obligations of a Constructing Entity with respect to the facilities that each of them is responsible for constructing, as set forth in this CSA.

- 3.0 Customer Facility. This CSA specifically relates to the following Customer Facility at the following location:

a. Name of Customer Facility:

b. Location of Customer Facility:

4.0 Effective Date and Term.

4.1 Effective Date. This CSA shall become effective on the later of (i) the date the agreement has been executed by all Construction Parties, or (ii) the date of Interconnection Customer's delivery of Security to the Transmission Provider, provided, however, that if the CSA is filed with the FERC unexecuted, the Effective Date shall be the date specified by the FERC. The Interconnected Transmission Owner shall have no obligation to begin construction of the Transmission Owner Interconnection Facilities prior to the Effective Date. Construction shall commence as provided in the Schedule of Work set forth in Schedule J to this CSA.

4.2 Term. This CSA shall continue in full force and effect from the Effective Date until the termination thereof pursuant to Section 14 of Appendix 2 to this CSA.

4.3 Survival. This CSA shall continue in effect after termination to the extent necessary to provide for final billings and payments, including billings and payments pursuant to Section 9 and/or Section 14 of Appendix 2 to this CSA, and to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while the CSA was in effect.

5.0 Construction Responsibility for

a. Customer Interconnection Facilities. Interconnection Customer is responsible for designing and constructing the Customer Interconnection Facilities described on the attached Schedule G to this CSA.

b. Construction of Transmission Owner Interconnection Facilities.

1. The Transmission Owner Interconnection Facilities regarding which Interconnected Transmission Owner shall be the Constructing Entity are described on the attached Schedule C to this CSA.

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

_____ Standard Option.

_____ Negotiated Contract Option.

If the parties have mutually agreed to use the Negotiated Contract Option, the permitted, negotiated terms on which they have agreed and which are not already set forth as part of the Scope of Work and/or Schedule of Work attached to this CSA as Schedules I and J, respectively, shall be as set forth in Schedule H attached to this CSA.

3. Exercise of Option to Build. Has Interconnection Customer timely exercised the Option to Build in accordance with Section 3.2.3 of Appendix 2 to this CSA with respect to some or all of the Transmission Owner Interconnection Facilities?

_____ Yes

_____ No

If Yes is indicated, Interconnection Customer shall build, in accordance with and subject to the conditions and limitations set forth in Section 3.2.3 of Appendix 2 to this CSA, those portions of the Transmission Owner Interconnection Facilities described on Schedule D attached to this CSA.

6.0 [Reserved].

7.0 Scope of Work. The Scope of Work for all construction pursuant to this CSA shall be as set forth in the attached Schedule I, provided, however, that the scope of work is subject to change in accordance with Transmission Provider's scope change process for interconnection projects as set forth in the PJM Manuals.

8.0 Schedule of Work. The Schedule of Work for all construction pursuant to this CSA shall be as set forth in the attached Schedule J, provided, however, that such schedule is subject to change in accordance with Section 3.3 of Appendix 2 to this CSA.

9.0 [Reserved.]

10.0 Notices. Any notice or request made to or by any party regarding this CSA shall be made in accordance with the standard terms and conditions for construction set forth in Appendix 2 to this CSA to the representatives of the other parties, as indicated below:

Transmission Provider:

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

Interconnection Customer:

Interconnected Transmission Owner:

- 11.0 Waiver. No waiver by any party of one or more defaults by another in performance of any of the provisions of this CSA shall operate or be construed as a waiver of any other or further default or defaults, whether of a like or different character.
- 12.0 Amendment. This CSA or any part thereof, may not be amended, modified, assigned, or waived other than by a writing signed by all parties.
- 13.0 Incorporation of Other Documents. All portions of the Tariff and the Operating Agreement pertinent to the subject of this CSA and not otherwise made a part hereof are hereby incorporated herein and made a part hereof.
- 14.0 Addendum of Interconnection Customer's Agreement to Conform with IRS Safe Harbor Provisions for Non-Taxable Status. To the extent required, in accordance with Section 2.4.1 of Appendix 2 to this CSA, Schedule L to this CSA shall set forth the Interconnection Customer's agreement to conform with the IRS safe harbor provisions for non-taxable status.
- 15.0 Addendum of Non-Standard Terms and Conditions for Construction Service. Subject to FERC approval, the parties agree that the terms and conditions set forth in the attached Schedule M are hereby incorporated by reference, and made a part of, this CSA. In the event of any conflict between a provision of Schedule M that FERC has accepted and any provision of the standard terms and conditions set forth in Appendix 2 to this CSA that relates to the same subject matter, the pertinent provision of Schedule M shall control.
- 16.0 Addendum of Interconnection Requirements for all Wind or Non-synchronous Generation Facilities. To the extent required, Schedule N to this CSA sets forth interconnection requirements for all wind and non-synchronous generation facilities and is hereby incorporated by reference and made a part of this CSA.
- 17.0 Infrastructure security of electric system equipment and operations and control hardware and software is essential to ensure day-to-day reliability and operational security. All Transmission Providers, Interconnected Transmission Owners, market participants, and Interconnection Customers interconnected with electric systems are to comply with the recommendations offered by the President's Critical Infrastructure Protection Board and best practice recommendations from the electric reliability authority. All public utilities

are expected to meet basic standards for electric system infrastructure and operational security, including physical, operational, and cyber-security practices.

IN WITNESS WHEREOF, the parties have caused this Interconnection Construction Service Agreement to be executed by their respective authorized officials.

(PJM Queue Position #____)

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

By: _____
Name Title Date

Printed name of signer: _____

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

By: _____
Name Title Date

Printed name of signer: _____

Interconnected Transmission Owner: **[Name of Party]**

By: _____
Name Title Date

Printed name of signer: _____

APPENDICES:

- **APPENDIX 1 - DEFINITIONS**
- **APPENDIX 2 - STANDARD CONSTRUCTION TERMS AND CONDITIONS**

SCHEDULES:

- **SCHEDULE A - SITE PLAN**
- **SCHEDULE B - SINGLE-LINE DIAGRAM OF INTERCONNECTION FACILITIES**
- **SCHEDULE C - TRANSMISSION OWNER INTERCONNECTION**

FACILITIES TO BE BUILT BY INTERCONNECTED TRANSMISSION OWNER

- **SCHEDULE D - TRANSMISSION OWNER INTERCONNECTION FACILITIES TO BE BUILT BY INTERCONNECTION CUSTOMER PURSUANT TO OPTION TO BUILD**
- **SCHEDULE E - [Reserved]**
- **SCHEDULE F – [Reserved]**
- **SCHEDULE G - CUSTOMER INTERCONNECTION FACILITIES**
- **SCHEDULE H - NEGOTIATED CONTRACT OPTION TERMS**
- **SCHEDULE I - SCOPE OF WORK**
- **SCHEDULE J - SCHEDULE OF WORK**
- **SCHEDULE K - APPLICABLE TECHNICAL REQUIREMENTS AND STANDARDS**
- **SCHEDULE L - INTERCONNECTION CUSTOMER'S AGREEMENT TO CONFORM WITH IRS SAFE HARBOR PROVISIONS FOR NON-TAXABLE STATUS**
- **SCHEDULE M - SCHEDULE OF NON-STANDARD TERMS AND CONDITIONS**
- **SCHEDULE N - INTERCONNECTION REQUIREMENTS FOR A WIND GENERATION FACILITY**

14.1 Termination

14.1.1 Upon Completion of Construction:

14.1.1.1 Conforming Interconnection Construction Service Agreements

If ~~This~~ this Interconnection Construction Service Agreement is conforming and, therefore, is only reported to the Commission on PJM's Electric Quarterly Report, it shall terminate upon the date Transmission Provider receives written notice, in a form acceptable to Transmission Provider, from Interconnected Transmission Owner that the later of the following conditions have occurred: (i) completion of construction of all Interconnection Facilities; (ii) if Interconnection Customer exercised the Option to Build, transfer of title under Tariff, Attachment P, Appendix 2, ~~Section~~ section 5.5 of this Appendix 2; (iii) final payment of all Costs due and owing under this Interconnection Construction Service Agreement; and (iv) if Interconnection Customer exercised the Option to Build, the delivery to the Interconnected Transmission Owner of final "as-built" drawings of any Interconnection Facilities built by the Interconnection Customer in accordance with Tariff, Attachment P, Appendix 2, section 3.2.3.2(a)(xi).

14.1.1.2 Non-Conforming Interconnection Construction Service Agreements

If this Interconnection Construction Service Agreement is non-conforming and, therefore, has been filed with and accepted by the Commission, it shall terminate upon (a) Transmission Provider receiving written notice, in a form acceptable to Transmission Provider, from Interconnected Transmission Owner that the following conditions have occurred: (i) completion of construction of all Interconnection Facilities; (ii) if Interconnection Customer exercised the Option to Build, transfer of title under Tariff, Attachment P, Appendix 2, section 5.5; (iii) final payment of all Costs due and owing under this Interconnection Construction Service Agreement; and (iv) if Interconnection Customer exercised the Option to Build, delivery to Interconnected Transmission Owner of final "as-built" drawings of any Interconnection Facilities built by Interconnection Customer in accordance with Tariff, Attachment P, Appendix 2, section 3.2.3.2(a)(xi); and (b) the effective date of Transmission Provider's cancellation of the Interconnection Construction Service Agreement in accordance with Commission rules and regulations. Transmission Provider shall serve the Interconnected Transmission Owner and Interconnection Customer with a copy of the notice of cancellation of any Interconnection Construction Service Agreement in accordance with Commission rules and regulations.

14.1.2 Upon Default By Either Constructing Entity:

Either Constructing Entity may terminate its obligations hereunder in the event of a Default by the other Constructing Entity as defined in Tariff, Attachment P, Appendix 2, ~~Section~~ section 13.3 of this Appendix 2.

14.1.3 By Interconnection Customer:

Subject to its payment of Cancellation Costs as explained in Tariff, Attachment P, Appendix 2, Section-section 14.3-below, ~~the~~ Interconnection Customer may be relieved of its obligations hereunder upon sixty (60) days written notice to Transmission Provider and ~~the~~ Interconnected Transmission Owner.

ATTACHMENT B

CLEAN TARIFF

ATTACHMENT P

**FORM OF
INTERCONNECTION CONSTRUCTION SERVICE AGREEMENT**

**By and Among
PJM Interconnection, L.L.C.**

And

[Name of Interconnection Customer]

And

[Name of Interconnected Transmission Owner]

(PJM Queue Position # ___)

- 1.0 Parties. This Interconnection Construction Service Agreement (“CSA”) including the Schedules and Appendices attached hereto and incorporated herein, is entered into by and between PJM Interconnection, L.L.C. (“Transmission Provider” or “PJM”) and the following Interconnection Customer and Interconnected Transmission Owner:

Interconnection Customer:

[full name] [OPTIONAL: (also referred to as “[short name”])]_____

Interconnected Transmission Owner:

[full name] [OPTIONAL: (also referred to as “[short name”])]_____

All capitalized terms herein shall have the meanings set forth in the appended definitions of such terms as stated in Part I of the Tariff. [Use as/when applicable: This CSA supersedes the CSA among _____ {insert details to identify the CSA being superseded, including the effective date, the service agreement number designation, and the FERC docket number, if applicable, for the CSA being superseded.}].

- 2.0 Authority. This CSA is entered into pursuant to Part VI of the Tariff. The standard terms and conditions for construction are attached at Appendix 2 to this CSA and are hereby specifically incorporated as provisions of this agreement. Transmission Provider, the Interconnection Customer and the Interconnected Transmission Owner agree to and assume all of their respective rights and obligations as set forth in the standard terms and conditions for construction in Appendix 2 to this CSA. Further, Interconnection Customer and the Interconnected Transmission Owner each agrees to and assumes all of the rights and obligations of a Constructing Entity with respect to the facilities that each of them is responsible for constructing, as set forth in this CSA.

- 3.0 Customer Facility. This CSA specifically relates to the following Customer Facility at the following location:

a. Name of Customer Facility:

b. Location of Customer Facility:

4.0 Effective Date and Term.

4.1 Effective Date. This CSA shall become effective on the later of (i) the date the agreement has been executed by all Construction Parties, or (ii) the date of Interconnection Customer's delivery of Security to the Transmission Provider, provided, however, that if the CSA is filed with the FERC unexecuted, the Effective Date shall be the date specified by the FERC. The Interconnected Transmission Owner shall have no obligation to begin construction of the Transmission Owner Interconnection Facilities prior to the Effective Date. Construction shall commence as provided in the Schedule of Work set forth in Schedule J to this CSA.

4.2 Term. This CSA shall continue in full force and effect from the Effective Date until the termination thereof pursuant to Section 14 of Appendix 2 to this CSA.

4.3 Survival. This CSA shall continue in effect after termination to the extent necessary to provide for final billings and payments, including billings and payments pursuant to Section 9 and/or Section 14 of Appendix 2 to this CSA, and to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while the CSA was in effect.

5.0 Construction Responsibility for

a. Customer Interconnection Facilities. Interconnection Customer is responsible for designing and constructing the Customer Interconnection Facilities described on the attached Schedule G to this CSA.

b. Construction of Transmission Owner Interconnection Facilities.

1. The Transmission Owner Interconnection Facilities regarding which Interconnected Transmission Owner shall be the Constructing Entity are described on the attached Schedule C to this CSA.

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

_____ Standard Option.

_____ Negotiated Contract Option.

If the parties have mutually agreed to use the Negotiated Contract Option, the permitted, negotiated terms on which they have agreed and which are not already set forth as part of the Scope of Work and/or Schedule of Work attached to this CSA as Schedules I and J, respectively, shall be as set forth in Schedule H attached to this CSA.

3. Exercise of Option to Build. Has Interconnection Customer timely exercised the Option to Build in accordance with Section 3.2.3 of Appendix 2 to this CSA with respect to some or all of the Transmission Owner Interconnection Facilities?

_____ Yes

_____ No

If Yes is indicated, Interconnection Customer shall build, in accordance with and subject to the conditions and limitations set forth in Section 3.2.3 of Appendix 2 to this CSA, those portions of the Transmission Owner Interconnection Facilities described on Schedule D attached to this CSA.

6.0 [Reserved].

7.0 Scope of Work. The Scope of Work for all construction pursuant to this CSA shall be as set forth in the attached Schedule I, provided, however, that the scope of work is subject to change in accordance with Transmission Provider's scope change process for interconnection projects as set forth in the PJM Manuals.

8.0 Schedule of Work. The Schedule of Work for all construction pursuant to this CSA shall be as set forth in the attached Schedule J, provided, however, that such schedule is subject to change in accordance with Section 3.3 of Appendix 2 to this CSA.

9.0 [Reserved.]

10.0 Notices. Any notice or request made to or by any party regarding this CSA shall be made in accordance with the standard terms and conditions for construction set forth in Appendix 2 to this CSA to the representatives of the other parties, as indicated below:

Transmission Provider:

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

Interconnection Customer:

Interconnected Transmission Owner:

- 11.0 Waiver. No waiver by any party of one or more defaults by another in performance of any of the provisions of this CSA shall operate or be construed as a waiver of any other or further default or defaults, whether of a like or different character.
- 12.0 Amendment. This CSA or any part thereof, may not be amended, modified, assigned, or waived other than by a writing signed by all parties.
- 13.0 Incorporation of Other Documents. All portions of the Tariff and the Operating Agreement pertinent to the subject of this CSA and not otherwise made a part hereof are hereby incorporated herein and made a part hereof.
- 14.0 Addendum of Interconnection Customer's Agreement to Conform with IRS Safe Harbor Provisions for Non-Taxable Status. To the extent required, in accordance with Section 2.4.1 of Appendix 2 to this CSA, Schedule L to this CSA shall set forth the Interconnection Customer's agreement to conform with the IRS safe harbor provisions for non-taxable status.
- 15.0 Addendum of Non-Standard Terms and Conditions for Construction Service. Subject to FERC approval, the parties agree that the terms and conditions set forth in the attached Schedule M are hereby incorporated by reference, and made a part of, this CSA. In the event of any conflict between a provision of Schedule M that FERC has accepted and any provision of the standard terms and conditions set forth in Appendix 2 to this CSA that relates to the same subject matter, the pertinent provision of Schedule M shall control.
- 16.0 Addendum of Interconnection Requirements for all Wind or Non-synchronous Generation Facilities. To the extent required, Schedule N to this CSA sets forth interconnection requirements for all wind and non-synchronous generation facilities and is hereby incorporated by reference and made a part of this CSA.
- 17.0 Infrastructure security of electric system equipment and operations and control hardware and software is essential to ensure day-to-day reliability and operational security. All Transmission Providers, Interconnected Transmission Owners, market participants, and Interconnection Customers interconnected with electric systems are to comply with the recommendations offered by the President's Critical Infrastructure Protection Board and best practice recommendations from the electric reliability authority. All public utilities

are expected to meet basic standards for electric system infrastructure and operational security, including physical, operational, and cyber-security practices.

IN WITNESS WHEREOF, the parties have caused this Interconnection Construction Service Agreement to be executed by their respective authorized officials.

(PJM Queue Position # ____)

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

By: _____
Name Title Date

Printed name of signer: _____

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

By: _____
Name Title Date

Printed name of signer: _____

Interconnected Transmission Owner: **[Name of Party]**

By: _____
Name Title Date

Printed name of signer: _____

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FACILITIES TO BE BUILT BY INTERCONNECTED TRANSMISSION OWNER

- **SCHEDULE D - TRANSMISSION OWNER INTERCONNECTION FACILITIES TO BE BUILT BY INTERCONNECTION CUSTOMER PURSUANT TO OPTION TO BUILD**
- **SCHEDULE E - [Reserved]**
- **SCHEDULE F – [Reserved]**
- **SCHEDULE G - CUSTOMER INTERCONNECTION FACILITIES**
- **SCHEDULE H - NEGOTIATED CONTRACT OPTION TERMS**
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14.1 Termination

14.1.1 Upon Completion of Construction:

14.1.1.1 Conforming Interconnection Construction Service Agreements

If this Interconnection Construction Service Agreement is conforming and, therefore, is only reported to the Commission on PJM's Electric Quarterly Report, it shall terminate upon the date Transmission Provider receives written notice, in a form acceptable to Transmission Provider, from Interconnected Transmission Owner that the following conditions have occurred: (i) completion of construction of all Interconnection Facilities; (ii) if Interconnection Customer exercised the Option to Build, transfer of title under Tariff, Attachment P, Appendix 2, section 5.5; (iii) final payment of all Costs due and owing under this Interconnection Construction Service Agreement; and (iv) if Interconnection Customer exercised the Option to Build, delivery to Interconnected Transmission Owner of final "as-built" drawings of any Interconnection Facilities built by Interconnection Customer in accordance with Tariff, Attachment P, Appendix 2, section 3.2.3.2(a)(xi).

14.1.1.2 Non-Conforming Interconnection Construction Service Agreements

If this Interconnection Construction Service Agreement is non-conforming and, therefore, has been filed with and accepted by the Commission, it shall terminate upon (a) Transmission Provider receiving written notice, in a form acceptable to Transmission Provider, from Interconnected Transmission Owner that the following conditions have occurred: (i) completion of construction of all Interconnection Facilities; (ii) if Interconnection Customer exercised the Option to Build, transfer of title under Tariff, Attachment P, Appendix 2, section 5.5; (iii) final payment of all Costs due and owing under this Interconnection Construction Service Agreement; and (iv) if Interconnection Customer exercised the Option to Build, delivery to Interconnected Transmission Owner of final "as-built" drawings of any Interconnection Facilities built by Interconnection Customer in accordance with Tariff, Attachment P, Appendix 2, section 3.2.3.2(a)(xi); and (b) the effective date of Transmission Provider's cancellation of the Interconnection Construction Service Agreement in accordance with Commission rules and regulations. Transmission Provider shall serve the Interconnected Transmission Owner and Interconnection Customer with a copy of the notice of cancellation of any Interconnection Construction Service Agreement in accordance with Commission rules and regulations.

14.1.2 Upon Default By Either Constructing Entity:

Either Constructing Entity may terminate its obligations hereunder in the event of a Default by the other Constructing Entity as defined in Tariff, Attachment P, Appendix 2, section 13.3.

14.1.3 By Interconnection Customer:

Subject to its payment of Cancellation Costs as explained in Tariff, Attachment P, Appendix 2, section 14.3, Interconnection Customer may be relieved of its obligations hereunder upon sixty (60) days written notice to Transmission Provider and Interconnected Transmission Owner.

