

October 29, 2024

Honorable Debbie-Anne A. Reese, Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E., Room 1A  
Washington, D.C. 20426

Re: *PJM Interconnection, L.L.C., Docket No. ER24-2045-00* \_  
*Submission of Responses to Data Request*

Dear Secretary Reese:

PJM Interconnection, L.L.C. (“PJM”) submits this response to the Federal Energy Regulatory Commission’s (“Commission”) July 31, 2024 letter requesting additional information<sup>1</sup> concerning PJM’s May 16, 2024 filing<sup>2</sup> in compliance with Order Nos. 2023 and 2023-A.<sup>3</sup> The July 31 Request seeks information concerning the May 16 Filing’s deviations from the requirements of the Final Rule, explanations as to how the Compliance Filing satisfies the independent entity standard as related to four specific aspects of the Final Rule, and an explanation of how PJM’s conceptual proposal for handling penalties complies with the Final Rule’s requirements or is an appropriate independent entity variation.

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<sup>1</sup> *PJM Interconnection, L.L.C., Data Request, Docket No. ER24-2045-000* (July 31, 2024) (“July 31 Request”).

<sup>2</sup> *PJM Interconnection, L.L.C., Order Nos. 2023 and 2023-A Compliance Filing of PJM Interconnection, L.L.C., Docket No. ER24-2045-000* (May 16, 2024) (“Compliance Filing”).

<sup>3</sup> *Improvements to Generator Interconnection Procedures and Agreements*, Order No. 2023, 184 FERC ¶ 61,054, *limited order on reh’g*, 185 FERC ¶ 61,063 (2023), *order on reh’g & clarification*, Order No. 2023-A, 186 FERC ¶ 61,199 (2024), *appeals pending*, Petition for Review, *Advanced Energy United v. FERC*, Nos. 23-1282, et al. (D.C. Cir. Oct. 6, 2023) (together, “Final Rule”).

PJM offered in its Compliance Filing and offers again here, to the best of its ability, an item-by-item justification for each variation in PJM’s Open Access Transmission Tariff (“Tariff”) from the Commission’s *pro forma* Open Access Transmission Tariff (“OATT”) generator interconnection provisions (the Large Generator Interconnection Procedures (“LGIP”) and the Large Generator Interconnection Agreement (“LGIA”)) as modified by the Final Rule. PJM is not able to offer a line-by-line justification for each variation from the *pro forma* LGIP and LGIA, however, because many of the *pro forma* LGIP and LGIA provisions modified by Order No. 2023 are fundamentally different from PJM’s underlying Tariff.

The principal Tariff provisions governing interconnection service were largely unchanged from the Commission’s issuance of Order No. 2003<sup>4</sup> through the Commission’s acceptance of PJM’s June 14, 2022 interconnection reform filing in Docket No. ER22-2110-000.<sup>5</sup> Order No. 2003 established *pro forma* procedures and agreements to: “(1) [l]imit opportunities for Transmission Providers to favor their own generation[;] (2) facilitate market entry for generation competitors by reducing interconnection costs and time[;] and (3) encourage needed investment in generator and transmission infrastructure.”<sup>6</sup> The Commission directed all public utilities that own, control, or operate

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<sup>4</sup> *Standardization of Generator Interconnection Agreements and Procedures*, Order No. 2003, 104 FERC ¶ 61,103 (2003), *order on reh’g*, Order No. 2003-A, 106 FERC ¶ 61,220, *order on reh’g*, Order No. 2003-B, 109 FERC ¶ 61,287 (2004), *order on reh’g*, Order No. 2003-C, 111 FERC ¶ 61,401 (2005), *aff’d sub nom. Nat’l Ass’n of Regul. Util. Comm’rs v. FERC*, 475 F.3d 1277 (D.C. Cir. 2007), *cert. denied*, 552 U.S. 1230 (2008).

<sup>5</sup> *PJM Interconnection, L.L.C.*, Tariff Revisions for Interconnection Process Reform, Request for Commission Action by October 3, 2022, and Request for 30-Day Comment Period of PJM Interconnection, L.L.C., Docket No. ER22-2110-000 (June 14, 2022) (“IPR Filing”).

<sup>6</sup> Order No. 2003 at P 12.

transmission facilities to amend their open access transmission tariffs to add the LGIP and LGIA.<sup>7</sup>

At the time Order No. 2003 established the *pro forma* LGIP and LGIA, PJM was already employing many of the concepts that the Commission relied upon in promulgating the LGIP and LGIA and had already filed, in March 1999, its generation interconnection process rules with the Commission.<sup>8</sup> As PJM explained at the time, it needed to establish rules in order to process an increasing number of requests to interconnect to the PJM Transmission System “so that generation projects are encouraged in the PJM [C]ontrol [A]rea and are handled in a fair and non-discriminatory manner.”<sup>9</sup>

On January 20, 2004, PJM submitted its Order No. 2003 Compliance Filing.<sup>10</sup> In its filing, PJM noted that while its Tariff was largely consistent with Order No. 2003, some areas needed new provisions.<sup>11</sup> Prior to Order No. 2003, PJM’s interconnection procedures were contained in Tariff, Parts IV and VI, and included provisions addressing study procedures, cost responsibility, and standard interconnection and construction terms.<sup>12</sup> PJM explained that its then-current interconnection process and procedures “were developed through extensive stakeholder processes and [were] carefully tailored to the operating provisions and market structures of the PJM region.”<sup>13</sup> PJM therefore proposed

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<sup>7</sup> *Id.*

<sup>8</sup> *PJM Interconnection, L.L.C.*, Tariff Revision Filing of PJM Interconnection, L.L.C., Docket No. ER99-2340-000 (Mar. 31, 1999).

<sup>9</sup> *See id.*, Transmittal Letter at 2.

<sup>10</sup> *PJM Interconnection, L.L.C.*, Order No. 2003 Compliance Filing, Docket No. ER04-457-000 (Jan. 20, 2004) (“Order No. 2003 Compliance Filing”).

<sup>11</sup> Order No. 2003 Compliance Filing at 3.

<sup>12</sup> *Id.* at 6-7.

<sup>13</sup> *Id.* at 2-3.

to modify its Tariff to add provisions of Order No. 2003's LGIP and LGIA that PJM's Tariff did not already address, and to revise certain terms to be compatible with Order No. 2003 to the extent feasible, without upsetting the careful balances upon which its interconnection process was founded.<sup>14</sup> In its Order No. 2003 Compliance Filing, PJM proposed changes that sought to bridge gaps between Order No. 2003 and the existing Tariff, including, among other things, alignment of terms, information postings, designation of Point(s) of Interconnection, and certain study-related provisions.<sup>15</sup> Following PJM's completion of its various compliance obligations and a paper hearing regarding certain study provisions, the Commission accepted PJM's compliance filing.<sup>16</sup> In doing so, the Commission allowed PJM several independent entity variations, which preserved the differences between the Commission's *pro forma* LGIP and LGIA and the generator interconnection provisions of the Tariff.<sup>17</sup>

Almost two decades later, facing an exponential increase in the number of projects submitting interconnection requests and after a stakeholder process that encompassed over 18 months, PJM and its stakeholders prioritized rules and requirements that would provide certainty and more efficient and expeditious interconnection request processing over rules allowing flexibility in the interconnection process, such as the choice to make the transition on a serial or clustered basis.<sup>18</sup> On June 14, 2024, PJM filed a comprehensive overhaul of

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<sup>14</sup> *Id.*

<sup>15</sup> *Id.* at 12-20.

<sup>16</sup> *PJM Interconnection, L.L.C.*, 108 FERC ¶ 61,025 (2004) ("Order 2003 Compliance Order"), *order on reh'g & compliance*, 110 FERC ¶ 61,099, *order on compliance*, 112 FERC ¶ 61,276 (2005), *order on compliance*, Letter Order, Docket No. EL05-60-003 (Oct. 10, 2007).

<sup>17</sup> Order 2003 Compliance Order at P 7.

<sup>18</sup> See PJM RM22-14 NOPR Comments at 5.

its interconnection process to address the major shifts in the industry and tremendous increase in interconnection requests.<sup>19</sup> The IPR Filing was the culmination of long and hard work with PJM stakeholders, involving a close reexamination of its interconnection process and proposing meaningful reforms based on the bedrock concepts of timeliness, fairness, non-discriminatory access, and efficiency that are designed to meet the challenges of today and the future.<sup>20</sup> After further clarification,<sup>21</sup> the Commission accepted the IPR Filing largely unchanged.<sup>22</sup> In that order, the Commission acknowledged that it “has also afforded [Regional Transmission Organizations (“RTO”)] and [Independent System Operators (“ISO”)] considerable flexibility in the chosen approach to address region-specific queue processing challenges.”<sup>23</sup> Significantly, the Commission did not require PJM to conform the Tariff’s generator interconnection provisions to the *pro forma* LGIP and LGIA, but continued its course of accepting the Tariff’s differences from the *pro forma* OATT.

## I. RESPONSES TO THE JULY 31 REQUEST

***Question 1:*** *PJM states that, to the extent its existing tariff does not fully comply with or exceed the requirements of Order Nos. 2023 and 2023-A, it requests that the Commission apply the independent entity variation standard in considering PJM’s compliance proposal. In Order No. 2023-A, the Commission clarified that “[a]n item-by-item justification must be offered for each variation from the pro forma provisions modified in Order No. 2023; general statements alone are insufficient under the consistent*

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<sup>19</sup> See IPR Filing.

<sup>20</sup> IPR Filing at 17.

<sup>21</sup> *PJM Interconnection, L.L.C.*, Letter Order, Docket No. ER22-2110-000 (Aug. 30, 2022); *PJM Interconnection, L.L.C.*, Submission of Response to Deficiency Letter of PJM Interconnection, L.L.C., Docket No. ER22-2110-001 (Sept. 29, 2022); *PJM Interconnection, L.L.C.*, Submission of Compliance Filing of PJM Interconnection, L.L.C., Docket No. ER22-2110-003 (Dec. 19, 2022).

<sup>22</sup> *PJM Interconnection, L.L.C.*, 181 FERC ¶ 61,162 (2022) (“IPR Order”), *order on reh’g*, 184 FERC ¶ 61,006 (2023), *appeal pending*, Petition for Review, *Hecate Energy LLC v. FERC*, No. 23-1089 (D.C. Cir. Mar. 31, 2023).

<sup>23</sup> IPR Order at P 32.

*with or superior to or the independent entity variation standard.” PJM does not appear to provide specific justification for its deviations from many of the requirements of Order Nos. 2023 and 2023-A. Please submit a specific justification for each variation from a pro forma compliance requirement for which PJM believes its existing tariff satisfies the requirements for an independent entity variation. Please also provide citations to the relevant tariff provisions related to each requested independent entity variation. In addition, please provide a summary of PJM’s justification for its requested independent entity variations (i.e., to have greater flexibility to customize its interconnection procedures and agreements to fit regional needs) and explain why the request accomplishes the purposes of Order No. 2023.<sup>24</sup>*

### **Response to Question 1:**

To the extent that a requested independent entity variation can be directly tied to the *pro forma* LGIP and LGIA as modified by Order No. 2023, PJM has prepared an “item-by-item” justification in chart form, included as Part I of Attachment A to this response, setting forth the proposed variations and how they enable greater flexibility to meet regional needs.<sup>25</sup> To the extent that a requested independent entity variation cannot be directly tied to the *pro forma* provisions promulgated in Order No. 2023, PJM incorporates by reference the Compliance Filing Summary Table included as Attachment A to the Compliance Filing<sup>26</sup> and further provides, as Part II of Attachment A, additional support for its requested independent entity variations and explanations as to how such requests accomplish the goals of Order No. 2023.<sup>27</sup>

***Question 2:*** *PJM’s compliance filing does not appear to provide revisions to its tariff or demonstrations that previously-approved provisions continue to be permissible under the independent entity variation standard, as required by Order No. 2023, for: (1) the elimination of the reasonable efforts standard and adoption of study delay penalties; (2) affected system*

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<sup>24</sup> July 31 Request at 3-4 (internal footnotes omitted).

<sup>25</sup> See Attachment A (Tariff Definitions Comparison Chart) at Part I.

<sup>26</sup> See Compliance Filing at Attachment A.

<sup>27</sup> See Attachment A at Part II.

*coordination; (3) availability of surplus interconnection service; and (4) the definition of network upgrades. Please explain how your compliance filing satisfies each of these requirements, including citations to relevant proposed or existing tariff language. In addition, please provide a summary of PJM's justification for its requested independent entity variations (i.e., to have greater flexibility to customize its interconnection procedures and agreements to fit regional needs) and explain why the request accomplishes the purposes of Order No. 2023.*<sup>28</sup>

## **Response to Question 2:**

PJM proposed in the Compliance Filing a phased compliance process in which it would address these specific four elements of the Final Rule in a subsequent compliance filing, after it had received additional Commission guidance in an order on the Compliance Filing and had the opportunity to work with stakeholders on these issues.<sup>29</sup> Notwithstanding the lack of additional guidance, PJM supports here its approach to the four enumerated elements of the Final Rule, with illustrative new Tariff language as appropriate, and shows that with respect to these elements, PJM's requested independent entity variations allow for greater flexibility to customize PJM's interconnection procedures to meet the needs of the PJM Region, while also accomplishing the purposes of Order No. 2023.

### **(1) The elimination of the reasonable efforts standard and adoption of study delay penalties**

PJM addresses this element of the Final Rule in response to Question 3, which also asks about PJM's revisions to its Tariff or demonstrations that previously-approved provisions continue to be permissible under the independent entity variation standard for the elimination of the reasonable efforts standard and adoption of study delay penalties.

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<sup>28</sup> July 31 Request at 4 (internal footnotes omitted).

<sup>29</sup> Order No. 2003 Compliance Filing at 18, 56, 65.

(2) **Affected Systems coordination**

PJM's Tariff contains numerous provisions that address Affected System issues.

These include:

- (1) definitional provisions such as Affected System, Affected System Customer; and other related terms;<sup>30</sup>
- (2) provisions stating that scoping meetings for Cycle studies can include discussion of potential Affected System needs;<sup>31</sup>
- (3) the requirement to identify Affected Systems as applicable in the Phase II System Impact Study;<sup>32</sup>
- (4) the requirement to provide evidence that the Project Developer has entered into an Affected System Study Agreement if applicable to its New Service Request by the later of Decision Point II or 60 days after notification by PJM that such agreement is required, and the statement that Network Upgrade costs reflected in an adverse study impact calculation include costs identified in Affected System studies;<sup>33</sup>
- (5) the requirement that the Phase III System Impact Study include a final Affected System Study, as applicable;<sup>34</sup>
- (6) provisions stating that Network Upgrades and certain other upgrades constructed to accommodate an Affected System facility will be reflected in PJM's Regional Transmission Expansion and Plan, and provisions related to Transmission Owners construction obligations to build interconnection with Affected Systems;<sup>35</sup>

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<sup>30</sup> Tariff, Part VIII, Subpart A, section, 400 (Definitions A). Other defined terms include Construction Entity, clarifying that a Construction Entity can be an Affected System Customer. The Tariff also provides that Stand Alone Network Upgrades do not include Network Upgrades that are part of an Affected System. Tariff, Part VIII, Subpart A, section 400 (Definitions A).

<sup>31</sup> Tariff, Part VIII, Subpart B, section 403(C)(2).

<sup>32</sup> Tariff, Part VIII, Subpart C, section 407(A)(1)(b).

<sup>33</sup> Tariff, Part VIII, Subpart C, sections 408(A)(1)(h) and 408(B)(3)(b)(ii).

<sup>34</sup> Tariff, Part VIII, Subpart C, section 409(A)(1)(b). A similar provision related to the adverse study impact calculation appears in Tariff, Part VIII, Subpart C, section 410(B)(5)(d).

<sup>35</sup> Tariff, Part VIII, Subpart E, sections 423(A) and 424(A).



- (7) detailed Affected Systems coordination rules, with separate provisions that apply when PJM is the host Transmission System, and when PJM is the Affected System;<sup>36</sup>
- (8) the requirement that PJM coordinate Upgrade Requests with Affected Systems as required in the PJM Manuals;<sup>37</sup>
- (9) provisions that state the execution deadlines for interconnection-related service agreements apply to Affected System Customer, and requiring consideration of Affected System impacts and coordination with Affected Systems;<sup>38</sup>
- (10) clarification that an Affected System Customer can be a party to a Construction Service Agreement (“CSA”) and to a Network Upgrade Cost Responsibility Agreement (“NUCRA”), and related provisions;<sup>39</sup> and
- (11) a form of Affected System Customer Facilities Study Application and Agreement (“ASCFSA”), which is a facilities study agreement between PJM and Affected System Customer that will apply when an interconnection on an adjacent transmission system causes an impact on the PJM Transmission System.<sup>40</sup>

PJM in the Compliance Filing acknowledged its obligation to comply with the Final Rule, but proposed to submit a second phase compliance filing, which would include rigorous Affected Systems coordination provisions, based on the Commission’s order on the Compliance Filing.<sup>41</sup> PJM indicated that these Tariff provisions would include two newly created agreements, the Affected System Impact Study Agreement and the AFCFSA, based on the Final Rule’s *pro forma* Affected System Impact Study Agreement (“ASISA”), to be included in Tariff, Part IX, along with a \$30,000 study deposit to cover

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<sup>36</sup> Tariff, Part VIII, Subpart G, section 434.

<sup>37</sup> Tariff, Part VIII, Subpart H, section 435(B)(6).

<sup>38</sup> Tariff, Part IX, section 500; Tariff, Part IX, Subpart A, Form of Application of Studies Agreement, section 5, paragraph 25; Tariff, Part IX, Subpart B, Form of GIA, Appendix 2, section 4.7.

<sup>39</sup> Tariff, Part IX, Subpart H, Form of NUCRA, section 1.0; Subpart J, Form of CSA, title page, first page, intro paragraph, first and second WHEREAS clauses; Appendix I, section D; Appendix III, section 6.1.1.

<sup>40</sup> Tariff, Part IX, Subpart L, Form of Affected System Customer Facilities Study Application and Agreement.

<sup>41</sup> Compliance Filing at 56.

PJM's incurred costs in performing the study. Affected System Customers who have successfully passed Decision Point I or the equivalent under the host utility's process will be higher-queued than Project Developers in the PJM Cycle that have not received their Phase I System Impact Study results and lower-queued than Project Developers in the PJM Cycle that passed Decision Point I at an earlier date.

PJM also indicated that, consistent with Order No. 2023 and Order No. 2023-A, PJM will study Affected System Interconnection Requests using Energy Resource Interconnection Service ("ERIS") modeling standards. To align with PJM's Cycle timeline, PJM will require any PJM Project Developer that needs an Affected System Study to be performed by a neighboring region to sign the ASISA or similar agreement (if applicable) with that neighboring region within 60 days of the close of Decision Point I. Projects will be withdrawn if the Project Developers do not execute the ASISA by the required time.

In response to the July 31 Request, PJM provides an explanation of further Tariff revisions it intends to submit concerning Affected Systems coordination issues.

a. The Affected System Impact Study Agreement

- PJM is working to develop the *pro forma* ASISA, which provides standardized timelines and processes that will improve the efficiency of the interconnection process.<sup>42</sup> Once developed fully, the *pro forma* ASISA would become new Subpart M to Tariff, Part IX. Consistent with the Final Rule, this standard agreement will allow Affected System Customers to know the scope and terms of the Affected System study process prior to entering into an agreement with

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<sup>42</sup> See Order No. 2023 at P 1184.

PJM, and will set forth a detailed structure that will provide “greater certainty regarding expectations throughout the interconnection process.”<sup>43</sup>

- Also consistent with the Final Rule, the ASISA will be entered between PJM and the Affected System Customer to study the impacts (“Impact Study”) of a non-PJM Interconnection Request and any Affected System Facilities on the PJM Transmission System when PJM is the Affected System.<sup>44</sup> PJM plans to tender the ASISA to an Affected System Customer within 30 calendar days of identification of the Affected System Customer’s project’s impact on the PJM Transmission System and will require that the Affected System Customer execute the ASISA and post the required security within 30 calendar days of PJM tendering the agreement. The scope of work under the ASISA will include an assessment of whether any Network Upgrades to the PJM Transmission System are required to mitigate the impacts resulting from the Affected System Facilities.
- The *pro forma* ASISA provides that the Impact Study will be based on information provided by the Affected System Customer and the Affected System Operator. Consistent with *pro forma* LGIP, section 9.5, PJM reserves the right to request additional information, which is to be provided within 10 Business Days of PJM’s request. The agreement also provides that if the Affected System Customer materially modifies data or other information it previously provided to PJM in ways that significantly prolong the time or

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<sup>43</sup> *Id.* at PP 724, 1110, 1183.

<sup>44</sup> *See Id.* at P 1160.

increase the effort required to perform the Impact Study, or necessitate a restudy, PJM, upon five Business Days prior notice, can terminate the existing ASISA and tender a new ASISA to the Affected System Customer. The ASISA states PJM will undertake Reasonable Efforts to complete the Impact Study by the first Business Day 120 days after the ASISA's execution, and that PJM may undertake a restudy if it determines that there has been a change in the underlying case assumptions, including changes due to the withdrawal of pending Interconnection Request(s). PJM anticipates providing restudy results within 90 days of commencement of the restudy.

- The Affected System Customer, concurrent with the ASISA's execution, must provide a study deposit of \$30,000, subject to true-up based on actual costs and the requirement to provide additional amounts upon notice from PJM. An Affected System Customer may elect to cancel the Impact Study prior to its completion upon at least five Business Days' notice, but will be required to reimburse PJM for the total actual costs incurred by PJM for the work associated with the Impact Study, along with any actual costs incurred by PJM in administering the cancellation process.<sup>45</sup> While the Final Rule's *pro forma* Affected System Study Agreement requires an attachment listing the assumptions used in conducting the study, requiring PJM to list specific study assumptions for each project would be difficult to manage. Instead, the Purpose and Scope section of the Agreement will reference what the scope of the impact

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<sup>45</sup> The remainder of the ASISA will include standard commercial terms and conditions, including confidentiality, indemnity and notice provisions similar to those contained in other study agreements under Tariff, Part IX.

study will be. This will provide the Affected System Customer with information as to the scope of its study, and the Commission should accept this as consistent with the Final Rule.

These procedures provide Affected System Customers with clear and transparent timelines for the provision of the Impact Study and restudies, consistent with the objectives of the Final Rule, and the Commission should accept the proposed ASISA.

b. Construction Service Agreements and Network Upgrade Cost Responsibility Agreements in Place of Affected System Facilities Construction Agreements

- PJM has not adopted a specific form of Affected System Facilities Construction Agreement. Instead, an Affected System Customer will enter into a Construction Service Agreement (“CSA”) in the form set forth in Tariff, Part IX, Subpart J. The CSA sets forth the standard terms and condition for construction of facilities when the relevant Transmission Owner is not the entity with which a Project Developer or Affected System Customer directly interconnects.
- The CSA is a form of agreement included in PJM’s approved IPR Filing that was based on the form of agreement set forth as Attachment P to the pre-IPR Tariff. These forms of CSAs have worked well in PJM, both under the current and prior rules. Using the CSA to govern construction of facilities on the PJM Transmission System needed to accommodate impacts on PJM as an Affected System is consistent with the Final Rule’s statement that an Affected System facilities construction agreement “set forth the terms and conditions by which the Affected System transmission provider will be responsible for the design, procurement, construction, and installation of all network upgrades and terms

and conditions by which the Affected System Customer will initially fund . . . the cost of any assigned Affected System network upgrades.”<sup>46</sup>

- In instances where more than one Affected System Customer is responsible for a Network Upgrade on the PJM Transmission System, the Affected System Customer will be required to enter into both a CSA and a NUCRA, which addresses the construction of Common Use Upgrades and coordination of the construction and interconnection of associated Generating Facilities.<sup>47</sup> Using the NUCRA in such circumstances is consistent with the approach utilized when Common Use Upgrades are necessary to accommodate multiple Project Developers. The NUCRA also eliminates the need for a separate multiparty Affected System Facilities Construction Agreement, as suggested in the Final Rule.<sup>48</sup>

The Commission should find the use of a CSA, along with a NUCRA as necessary, to be acceptable under the independent entity variation standard, as it allows PJM greater flexibility to align the Final Rule’s forms of agreement to PJM’s previously-approved forms of agreement to meet PJM’s regional needs, and accomplishes the purposes of the Final Rule with respect to Affected Systems coordination.

c. The Affected System Customer Facilities Study Application and Agreement (“ASCFSA”)

- In addition to the ASISA, Part IX of the currently-effective Tariff includes a form of ASCFSA, a facilities study agreement between PJM and an Affected

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<sup>46</sup> Order No. 2023 at P 1231.

<sup>47</sup> The form of NUCRA appears in Tariff, Part IX, Subpart H.

<sup>48</sup> See Order No. 2023 at P 1112.

System Customer that will apply when an interconnection on an adjacent transmission system causes an impact on the PJM Transmission System. The Affected System Customer Facilities Study provides an assessment of project related system reliability issues and conceptual engineering, detailed design, and cost estimates and project schedules, to implement the conclusions of the Affected System Customer Facilities Study regarding the Network Upgrades necessary to accommodate the Affected System Interconnection Request.<sup>49</sup>

- The Affected System Customer Facilities Study is required to be completed within the time frame agreed to in a specific ASCFSA.<sup>50</sup> The agreement also states that if the Affected System Customer Facilities Study identifies any Network Upgrades that need to be constructed to accommodate the Affected System Interconnection Request, PJM and the Affected System Customer will enter into a CSA and, if needed, a NUCRA, for the construction of these upgrades.<sup>51</sup> The ASCFSA also includes standard confidentiality, disclaimer of warranty, and other commercial provisions.

The Commission should find use of the ASCFSA to be acceptable under the independent entity variation standard. The process provides PJM with needed flexibility to meet its regional needs by aligning the Final Rule's forms of agreement for impacts to the PJM Transmission System to PJM's previously-approved forms of agreement. The

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<sup>49</sup> Tariff, Part IX, Subpart L, section 7.A.

<sup>50</sup> Tariff, Part IX, Subpart L, sections 3 and 7.B.

<sup>51</sup> Tariff, Part IX, Subpart L, section 7.C.

ASCFSA also furthers the objectives of the Final Rule with respect to Affected Systems coordination.

d. Priority, Queue Position, and Timing

In compliance with the Final Rule, PJM will adopt the process under which the Interconnection Requests of Affected System Interconnection Customers who have successfully passed Decision Point I or the equivalent on their host utility's system will be higher-queued than the Interconnection Requests of those in the PJM Cycle that have not passed Decision Point I, and lower-queued than those PJM Interconnection Customers that passed Decision Point I at an earlier date.<sup>52</sup> All Affected System Interconnection Requests within the same Affected System cluster will be equally queued. In addition, and also consistent with the Final Rule, PJM will study Affected System Interconnection Requests using ERIS modeling standards.<sup>53</sup> Consistent with the Final Rule, PJM will use a Cycle/cluster approach when undertaking the Affected System Impact Study.<sup>54</sup>

PJM also proposes to impose strict timing limits for a Project Developer interconnecting with the PJM Transmission Systems to execute ASISAs with neighboring regions. In order to support PJM's Cycle timeline, any Project Developer that needs an Affected System Study to be performed by the Affected System Operator would need to sign the applicable ASISA with that Affected System Operator within 60 days after the close of PJM's Decision Point I to ensure that the neighboring region will have sufficient time to perform the study. If that information is not available at the time of the Phase I

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<sup>52</sup> Order No. 2023 at P 1138.

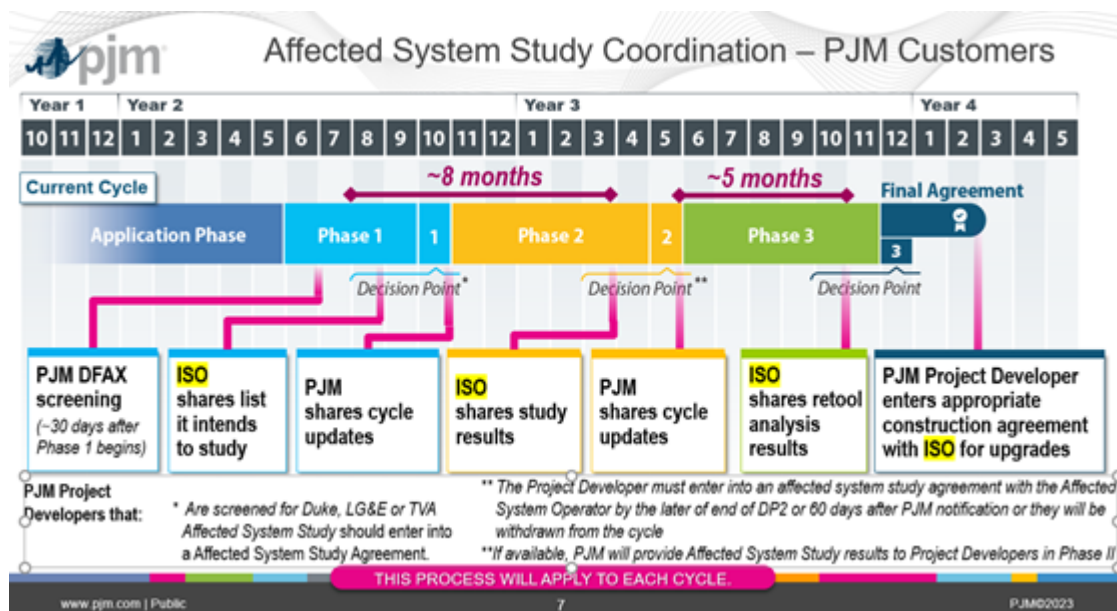
<sup>53</sup> Order No. 2023 at P 1276. During the course of PJM's Affected System interconnection study for MISO interconnection projects, PJM shall model all MISO interconnection projects as Energy Resource using ERIS, and apply the Individual Plant Deliverability test as described in PJM Manual 14B, Addendum 2.

<sup>54</sup> Order No. 2023 at P 1347.



System Impact Study, then the Project Developer will be expected to sign the ASISA or the neighboring system's equivalent agreement within 60 days after being notified by PJM of the need for an Affected System Study. PJM's goal is to have the Affected System Study results in time to include them in the PJM Phase II System Impact Study at the end of Phase II. Figure 1 below outlines the Affected System coordination timeline when a Project Developer interconnecting with PJM affects other systems.

**FIGURE 1**



In addition, if a Project Developer does not execute the ASISA with the neighboring region within the time period identified above, PJM will withdraw the project from the PJM Cycle. PJM believes such withdrawals to be necessary to ensure that PJM has received the Affected System Study result and cost estimate from the Affected System Operator in time for that information to be included in PJM's Phase II System Impact Study report, rather than risk delaying all of the Cycle studies or providing results that do not accurately reflect the costs of the Network Upgrades necessary to address Affected System impacts. The withdrawal requirement is also necessary in order to support the timeline and

study process of the Affected System Operator who is also trying to comply with the Final Rule. In addition, if an Affected System Customer on an adjacent system that affects PJM does not sign an ASISA within the required time as specified by the Affected System Operator, that Affected System Customer should be removed from the adjacent system's interconnection queue. This may require the adjacent system to impose enforceable conditions requiring the Interconnection Customer to execute an ASISA, or to address such requirements through a seams agreement.

e. PJM Requests an Independent Entity Variation to Allow Affected Systems Coordination Procedures to Be Included in Joint Operating and Seams Agreements

PJM requests an independent entity variation to allow it to continue following the existing Affected System procedures set forth in PJM's Joint Operating Agreements ("JOA") with MISO;<sup>55</sup> the New York Independent System Operator, Inc.;<sup>56</sup> Duke Energy Progress, LLC;<sup>57</sup> and Tennessee Valley Authority, Louisville Gas and Electric Company, and Kentucky Utilities Company.<sup>58</sup> To implement this independent entity variation, PJM proposes to include language in Tariff, Part VIII, Subpart G, section 434 stating that the Affected System procedures set forth in the Tariff apply unless a different procedure exists in a Commission-approved joint operating agreement or other seams agreement with a

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<sup>55</sup> Joint Operating Agreement Between the Midcontinent Independent System Operator, Inc. and PJM Interconnection, L.L.C. ("PJM-MISO JOA").

<sup>56</sup> Joint Operating Agreement Among and Between New York Independent System Operator Inc. and PJM Interconnection, L.L.C.

<sup>57</sup> Amended and Restated Joint Operating Agreement Among and Between PJM Interconnection, L.L.C., and Duke Energy Progress, LLC.

<sup>58</sup> Joint Reliability Coordination Agreement Among and Between PJM Interconnection, L.L.C., Tennessee Valley Authority, and Louisville Gas and Electric Company and Kentucky Utilities Company.

neighboring transmission provider. PJM notes that MISO submitted a similar request in its Order No. 2023 compliance filing.<sup>59</sup>

Similar to the situation addressed in MISO's Docket No. ER24-2046 Filing, PJM has developed and has in place highly negotiated and Commission-approved bilateral seams agreements with adjacent regions that provide for the effective coordination in various functional areas, including markets, transmission service, transmission planning, and generator interconnection. For example, PJM and MISO negotiated and adopted in their JOAs detailed Affected Systems coordination procedures that reflect the specific requirements and needs of their respective regions.<sup>60</sup> These procedures provide a highly effective mechanism for coordinating Affected System studies that should be continued on a bilateral basis. Continuing the bilateral Affected System study process ensures uniformity and consistency between the RTOs and transmission providers that are subject to these agreements. In addition, because the generator interconnection procedures in PJM, MISO, and other regions adjacent to PJM have been developed over time and are specifically tailored to the PJM Region and neighboring regions, the Affected System study procedures should reflect the needs and requirements of these RTOs' regions and procedures, as reflected in the existing JOAs and other seams agreements. PJM therefore seeks an independent entity variation to allow PJM greater flexibility to adapt the Final

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<sup>59</sup> See *Midcontinent Independent System Operator, Inc.*, Compliance Filing for Order Nos. 2023 and 2023-A, Improvements to Generator Interconnection Procedures and Agreements, Docket No. ER24-2046-000 (May 16, 2024) ("Docket No. ER24-2046 Filing").

<sup>60</sup> See *EDF Renewable Energy, Inc. v. Midcontinent Indep. Sys. Operator, Inc.*, 168 FERC ¶ 61,173 (2019), *order on reh'g*, 184 FERC ¶ 61,006 (2023). Section 9.3 of the PJM-MISO JOA include provisions for coordinated planning, with section 9.3.3 including provisions requiring MISO and PJM to coordinate with each other the conduct of studies required in determining the impact of a New Service Request (PJM) and Interconnection Request (MISO) on the other system. PJM and MISO are engaged in negotiations to update the PJM-MISO JOA in light of Order No. 2023's requirements.

Rule's Affected System coordination procedures to the existing JOAs, while still accomplishing the purposes of the Final Rule.

The Commission in Order No. 2023 specifically stated it encourages “voluntary coordination between transmission providers who share transmission system seams and whose interconnection customers frequently impact each other’s systems” and further notes that “such transmission providers may file seams agreements under FPA section 205.”<sup>61</sup> In the case of RTOs such as PJM and MISO, these agreements already exist, and the Commission should allow them to continue to govern PJM’s and MISO’s coordination of the Affected System study process.

The requested independent entity variation is consistent with the Commission’s precedent and meets the requirements applicable to independent entity variations. Historically, JOAs have been a preferred approach for coordination among PJM and its RTO neighbors. It is also a preferred approach to coordinating with non-jurisdictional transmission providers. The Commission also made specific findings in directing PJM and MISO (as well as SPP) to improve their Affected System coordination procedures, agreeing that alignment between neighboring processes is an important goal. To achieve that goal, the Commission required the RTOs to revise their tariffs and JOAs “to memorialize their current Affected System coordination processes in these documents.”<sup>62</sup> This included providing more detailed timelines in the JOAs for coordinating Affected System studies, including various improvements and additional details with respect to how the RTOs study impacts on the Affected System RTO, and improving transparency with respect to

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<sup>61</sup> Order No. 2023 at P 1172.

<sup>62</sup> *Midcontinent Indep. Sys. Operator, Inc.*, 171 FERC ¶ 61,275, at P 11, *order on reh’g*, 173 FERC ¶ 61,036 (2020).

applicable modeling standards and queue priority requirements. To the extent the Commission grants this relief to MISO, it should also grant it to PJM to ensure that PJM's seams agreements, especially the PJM-MISO JOA, work as intended and as authorized by the Commission.

In Order No. 2023-A, the Commission acknowledged that "Order No. 2023 does not modify or address individual seams arrangements, which are not part of the Commission's *pro forma* LGIP."<sup>63</sup> While the Commission noted that the seams agreements may need to be updated to reflect the Order No. 2023 requirements, such updates can be developed only through bilateral negotiations. PJM has commenced the process of negotiating revisions to its seams agreements, but these revisions are more properly developed through bilateral filings, outside of the Order No. 2023 compliance filing process. As a practical matter, such updates can be best developed once the Commission issues its order on PJM's Compliance Filing. The Commission, therefore, should grant an independent entity variation to permit a separate process to address the seams agreements, as may be necessary.

**(3) The availability of Surplus Interconnection Service**

PJM proposes to supplement its Compliance Filing with a revision to Tariff, Part VIII, section 414(A), which is the functional equivalent of section 3.3.1 of the LGIP, to expand the availability of Surplus Interconnection Service to Project Developers once the original Project Developer either has an executed GIA or has requested that PJM file its GIA unexecuted.<sup>64</sup> The proposed revision accords with the Final Rule's requirement that

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<sup>63</sup> Order No. 2023-A at P 538.

<sup>64</sup> See Attachment B, Illustrative Revisions to Tariff, Part VIII, section 414(A).

transmission providers “allow interconnection customers to access the surplus interconnection service process once the original interconnection customer has an executed LGIA or requests the filing of an unexecuted LGIA.”<sup>65</sup> The Commission should accept the proposed revision to Tariff, Part VIII, section 414(A) as compliant with the Final Rule.

**(4) Definition of Network Upgrades**

The July 31 Request asks why PJM did not adopt the new definitions related to Network Upgrades, and states that Order No. 2023 “requires transmission providers to adopt definitions for two categories of network upgrades – substation network upgrades and system network upgrades.”<sup>66</sup> The Final Rule indicates that the cost of substation network upgrades initially must be allocated only to those interconnection customers seeking to interconnect at the same substation, while the cost of system network upgrades for all interconnection customers in a cluster initially must be allocated based on the technical analyses to be specified under the transmission provider’s proportional impact method.<sup>67</sup> It also states that the Commission is “not modifying the pro forma LGIP’s definition of facilities needed beyond the point of interconnection as network upgrades; rather, we are providing greater specificity with regard to how the costs of the two distinct types of network upgrades identified within a cluster study should be initially allocated.”<sup>68</sup>

The Final Rule uses the following definitions:

Network Upgrades shall mean the additions, modifications, and upgrades to the Transmission Provider's Transmission System required at or beyond the point at which the Interconnection Facilities connect to the Transmission Provider's Transmission

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<sup>65</sup> Order No. 2023 at P 1436.

<sup>66</sup> July 31 Request at 2 and Question No. 2.

<sup>67</sup> Order No. 2023 at P 458.

<sup>68</sup> *Id.* at P 459.

System to accommodate the interconnection of the Large Generating Facility to the Transmission Provider's Transmission System. . . .

Substation Network Upgrades shall mean Network Upgrades that are required at the substation located at the Point of Interconnection. . . .

System Network Upgrades shall mean Network Upgrades that are required beyond the substation located at the Point of Interconnection.<sup>69</sup>

The Final Rule requires transmission providers to allocate Network Upgrade costs using the proportional impact method, which the Commission indicates is “a technical analysis conducted by Transmission Provider to determine the degree to which each Generating Facility in the Cluster Study contributes to the need for a specific System Network Upgrade.”<sup>70</sup> A transmission provider is obligated to directly assign the cost of shared Transmission Owner Interconnection Facilities to Project Developers on a per capita basis when the Project Developers in a cluster agree to share Interconnection Facilities, unless the parties agree to a different cost sharing arrangement.<sup>71</sup>

The Tariff, Part VIII defines Network Upgrades as follows:

“Network Upgrades” that are shall mean modifications or additions to transmission-related facilities integrated with and support the Transmission Provider's overall Transmission System for the general benefit of all users of such Transmission System. Network Upgrades shall include Stand Alone Network Upgrades which are Network Upgrades that are not part of an Affected System; only serve the Generating Facility or Merchant Transmission Facility; and have no impact or potential impact on the Transmission System until the final tie-in is complete. Both Transmission Provider and Project Developer must agree as to what constitutes Stand Alone Network Upgrades and identify them in the GIA, Schedule L or in the Interconnection Construction Service Agreement, Schedule

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<sup>69</sup> Order No. 2023, Appendix C (*Pro Forma* LGIP), Section 1.

<sup>70</sup> *Id.* at P 453 & n.914.

<sup>71</sup> *Id.* at P 454.

D. If the Transmission Provider and Project Developer disagree about whether a particular Network Upgrade is a Stand Alone Network Upgrade, the Transmission Provider must provide the Project Developer a written technical explanation outlining why the Transmission Provider does not consider the Network Upgrade to be a Stand Alone Network Upgrade within 15 days of its determination.<sup>72</sup>

PJM does not use separate definitions for Substation Network Upgrades and System Network Upgrades.

PJM in its Compliance Filing addressed the Network Upgrade cost allocation issues, stating the IPR Tariff substantially complies with these requirements, requiring a Project Developer to pay for 100% of the Network Upgrades necessary to accommodate its Interconnection Request, as well as 100% of the costs of the Interconnection Facilities (including Transmission Owner Interconnection Facilities) necessary to accommodate its Interconnection Request.<sup>73</sup> The Compliance Filing also pointed out that the IPR Tariff includes a form of NUCRA, which allows Project Developers to agree amongst themselves on the allocation of Common Use Upgrade costs.<sup>74</sup> PJM also explained that further elaboration as to cost allocation is provided in PJM Manual 14H,<sup>75</sup> Attachment B of which explains the cost allocation rules for Network Upgrades, specifying that the costs of an upgrade needed by more than one Project Developer are shared based on each New Service Request's proportional impact, measured as its MW contribution to the reliability violation

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<sup>72</sup> Tariff, Part VIII, Subpart A, section 400.

<sup>73</sup> Docket No. ER24-2045 Compliance Filing at 39; *see also* Tariff, Part VIII, Subpart C, sections 404(A)(5)-(6).

<sup>74</sup> Docket No. ER24-2045 Compliance Filing at 39-40; *see also* Tariff, Part IX, Subpart H, section 6.0, Appendix 2 section 2, Schedule B.

<sup>75</sup> Interconnection Projects Department, *PJM Manual 14H: New Service Requests Cycle Process*, PJM Interconnection, L.L.C. (July 26, 2023), <https://pjm.com/-/media/documents/manuals/ml14h.ashx> ("Manual 14H").



(i.e., contribution to the loading on an overloaded facility).<sup>76</sup> Further, because PJM runs a wide variety of analyses as part of its study process,<sup>77</sup> it has different cost allocation methodologies that are applied. Manual 14H, Attachment B: Cost Allocation Procedures details four different studies and cost allocation methods (load flow, short circuit, stability, and interconnection substation) that focus on the relative impact a particular Interconnection Request has on the violations identified in the particular study.<sup>78</sup>

PJM requests that the Commission grant an independent entity variation to the extent necessary to allow PJM to retain the current Network Upgrades definitions, which are aligned with PJM's methodology for allocating Network Upgrade costs in its Tariff and consistent with PJM's established use of these definitions to inform Project Developers which facilities are eligible for Option to Build treatment. This feature pre-dates and was carried over in PJM's IPR reforms. As noted above, PJM's cost allocation methodology for Network Upgrades substantially complies with the Final Rule and, consistent with the Final Rule, PJM provides detailed information on cost allocation to Project Developers<sup>79</sup> through Appendix B to Manual 14H. This complies with the Final Rule's directive that the cost of Network Upgrades be allocated based on the technical analyses to be specified under the transmission provider's proportional impact method.<sup>80</sup> Any remaining differences in the definition of Network Upgrades, including the lack of separate definitions for Substation Network Upgrades and System Network Upgrades, should be

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<sup>76</sup> Compliance Filing at 40.

<sup>77</sup> See Manual 14H, Attachment B, sections B.3.1-B.3.5.

<sup>78</sup> *Id.*

<sup>79</sup> Order No. 2023 at P 459.

<sup>80</sup> Order No. 2023 at P 458.

permitted as an independent entity variation because it will provide PJM with greater flexibility to align its existing Tariff provisions on allocation of Network Upgrade costs with the requirements of the Final Rule. Allowing PJM to retain these cost determination and allocation provisions consistent with its existing Tariff is consistent with the Final Rule's objective to have Network Upgrade costs allocated based on the technical analyses to be specified under the transmission provider's proportional impact method, and the Commission therefore should grant the requested independent entity variation.

***Question 3:** PJM submits a "conceptual proposal" for handling study penalties and consequences of study delays. Given Order No. 2023-A's clarification that item-by-item justifications must be offered for each proposed variation from the pro forma provisions in Order No. 2023, please specifically explain how PJM's conceptual proposal complies with Order No. 2023's requirements or is an appropriate independent entity variation, including providing citations to any proposed tariff language necessary to effectuate the proposal. In addition, please provide a summary of PJM's justification for its requested independent entity variations (i.e., to have greater flexibility to customize its interconnection procedures and agreements to fit regional needs) and explain why the request accomplishes the purposes of Order No. 2023.<sup>81</sup>*

### **Response to Question 3:**

PJM in its Compliance Filing proposed that it would file a second phase of its Final Rule compliance, based on guidance provided in the Commission's order on the Compliance Filing, that would include revised Tariff sections to incorporate consequences for study delays.<sup>82</sup> PJM also noted that its filing of penalty provisions would be made subject to PJM's petition for review of the Final Rule's penalty provisions.<sup>83</sup> PJM had hoped to receive Commission guidance on its conceptual proposal for graduated

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<sup>81</sup> July 31 Request at 4 (internal citations omitted).

<sup>82</sup> Compliance Filing at 57.

<sup>83</sup> Compliance Filing at 57-58.

consequences for study delays before engaging in Tariff drafting, and believed there was time to more fully vet its conceptual proposal in light of the Final Rule's timing for imposition of study delay penalties.<sup>84</sup> Nevertheless, in this response to the July 31 Request, which seeks specific Tariff language, PJM provides the illustrative Tariff revisions contained in Attachment C, which would be filed upon the Commission's direction to do so and, if accepted, implemented by the beginning of PJM's first Cycle under Tariff, Part VIII (i.e., after the Transition Period Cycles are complete or nearly complete), which it currently anticipates will be in 2026.<sup>85</sup>

The proposed revisions would modify Tariff, Subpart E, section 431, Interconnection Studies Processing Time and Metrics, to add subsection (G) concerning PJM's proposed graduated consequences for study delays. PJM requests an independent entity variation to allow it to use the illustrative Tariff provisions shown in Attachment C because they will accomplish the Final Rule's goal of promoting faster interconnection studies while not imposing the full administrative burden of the Final Rule's penalties regime. An independent entity variation would provide PJM greater flexibility to establish consequences for study delays that are consistent with the existing provisions of PJM's Tariff, the study processes of PJM and the Transmission Owners in the PJM Region, and the considerable volume of New Service Requests submitted to PJM.

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<sup>84</sup> Order No. 2023 at P 963 (explaining that "no study delay penalties will be assessed until the third cluster study cycles . . . after the Commission-approved effective date of the transmission provider's filing in compliance with this final rule" and that "there will be a 10-business day grace period" following the study's deadline).

<sup>85</sup> PJM will file further Tariff revisions to implement these illustrative Tariff changes as directed on compliance.

The proposed graduated consequences provisions will more closely tie to and support PJM's existing Tariff provisions because they will be premised on timelines for study completion that are developed by PJM in consultation with Transmission Owners and other stakeholders and calibrated to the circumstances of each Cycle of projects. These will not be arbitrary, one-size-fits all deadlines. The deadlines established for each Cycle's studies also will be tailored to PJM's three-phase study process rather than to the Final Rule's two study process and 150-day period and thus will meet regional needs (including the volume of New Service Requests in the PJM Region) better than the Final Rule's regime.

The proposed graduated consequences regime also provides opportunities for PJM and Transmission Owners to identify areas of improvement in the study process and leverage their experience to reduce study delays systematically. This remedial aspect of the proposed graduated consequences regime is superior to the Final Rule's punitive penalty regime and should be accepted by the Commission as it furthers the goal of the Final Rule to improve processing of generator interconnection requests.

In sum, the Commission should grant PJM an independent entity variation to allow it to file and implement its proposed graduated consequences for study delays, as the proposal will provide greater flexibility for PJM and its stakeholders to fit the Final Rule's study delay penalties to the PJM Region's study structure, timing, and volume of New Service Requests. The proposal will achieve the Final Rule's objectives by providing consequences for study delays in a manner that is constructive, which creates incentives and opportunities for meaningful improvement to the study process rather than

indiscriminately punishing PJM and Transmission Owners based on arbitrary timelines that are not reasonably related to the circumstances of cycles of projects.

## **II. SERVICE**

Copies of this filing will also be served on all parties on the Commission's service list established in the proceeding, as well as the affected state regulatory commissions within the PJM Region.

## **III. CONCLUSION**

PJM respectfully submits that the information provided in this response letter and the Compliance Filing provide a sufficient basis for the Commission to accept PJM's compliance with the Final Rule. The Commission should either accept the provisions proposed in the Compliance Filing and as supplemented following this response as compliant with the Final Rule, or as permissible and consistent with the Final Rule applying the independent entity variation standard. Please contact any of the undersigned if you require additional information.

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## **Attachment A**

### **Response to Data Request – Question 1**

## **Attachment A**

### **Part I: Definition Comparisons**



**PJM Interconnection, L.L.C. Order Nos. 2023 and 2023-A Compliance  
Data Request Response**

**PART I - DEFINITIONS**

In response to Question 1, the chart provided below compares the LGIP and LGIA *Pro Forma* definitions to the Parts VIII and IX definitions, and provides justification for the independent entity variation.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
1.	<b>Adverse System Impact</b> shall mean the negative effects due to technical or operational limits on conductors or equipment being exceeded that may compromise the safety and reliability of the electric system.	<b>Abnormal Condition:</b>  “Abnormal Condition” shall mean any condition on the Interconnection Facilities which, determined in accordance with Good Utility Practice, is: (i) outside normal operating parameters such that facilities are operating outside their normal ratings or that reasonable operating limits have been exceeded; and (ii) could reasonably be expected to materially and adversely affect the safe and reliable operation of the Interconnection Facilities; but which, in any case, could reasonably be expected to result in an Emergency Condition. Any condition or situation that results from lack of sufficient generating capacity to meet load requirements or that results solely from economic conditions shall not, standing alone, constitute an Abnormal Condition.	Tariff, Part VIII, Subpart A, section 400  Definitions A	Independent Entity Variation	PJM’s term and definition of “Abnormal Condition” substantially complies with the <i>pro forma</i> LGIP. While the terms “Adverse System Impact” and “Abnormal Condition” have different names, they essentially share the same meaning, as both refer to situations where technical or operational limits of the electric system are exceeded, potentially resulting in safety and reliability issues.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
2.	<b>Affected System</b> shall mean an electric system other than Transmission Provider's Transmission System that may be affected by the proposed interconnection.	<b>Affected System:</b>  "Affected System" shall mean an electric system other than the Transmission Provider's Transmission System that may be affected by a proposed interconnection or on which a proposed interconnection or addition of facilities or upgrades may require modifications or upgrades to the Transmission System.	Tariff, Part VIII, Subpart A, section 400  Definitions A	Independent Entity Variation	PJM's term and definition of "Affected System" substantially complies with the <i>pro forma</i> LGIP. The terms are nearly identical. Not only do they share the same name, they both refer to an electrical system that could be impacted by a proposed interconnection. However, PJM's definition also includes transmission systems that may require upgrades as a consequence of the proposed interconnection.
3.	<b>Affected System Facilities Construction Agreement</b> shall mean the agreement contained in Appendix 11 to this LGIP that is made between Transmission Provider and Affected System Interconnection Customer to facilitate the construction of and to set forth cost responsibility for necessary Affected System Network Upgrades on Transmission Provider's Transmission System.	<b>Construction Service Agreement:</b>  "Construction Service Agreement" shall mean either an Interconnection Construction Service Agreement, Network Upgrade Cost Responsibility Agreement or Upgrade Construction Service Agreement.	Tariff, Part VIII, Subpart A, section 400  Definitions C	Independent Entity Variation	PJM does not have an Affected System Facilities Construction Agreement. However, PJM's Tariff contains a Construction Service Agreement ("CSA"), which serves the same purpose. The CSA is an agreement by and among PJM, a Developer Party (including Affected System Customers), and a Transmission Owner for the construction of network upgrades necessary to provide the transmission service requested by the interconnection customer.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
4.	<b>Affected System Interconnection Customer</b> shall mean any entity that submits an interconnection request for a generating facility to a transmission system other than Transmission Provider's Transmission System that may cause the need for Affected System Network Upgrades on Transmission Provider's Transmission System.	<b>Affected System Customer:</b>  "Affected System Customer" shall mean the developer responsible for an Affected System Facility that requires Network Upgrades to Transmission Provider's Transmission System.	Tariff, Part VIII, Subpart A, section 400  Definitions A	Compliant	PJM's term and definition of "Affected System Customer" substantially complies with the <i>pro forma</i> LGIP definition of "Affected System Interconnection Customer." These terms are very similar. Both terms refer to any entity, whose interconnection request causes an Affected System Facility to require Network Upgrades to the Transmission Provider's system, as an Affected System Customer.
5.	<b>Affected System Network Upgrades</b> shall mean the additions, modifications, and upgrades to Transmission Provider's Transmission System required to accommodate Affected System Interconnection Customer's proposed interconnection to a transmission system other than Transmission Provider's Transmission System.	<b>Affected System Facility</b>  "Affected System Facility" shall mean a new, expanded or upgraded generation or transmission facility outside of Transmission Provider's Transmission System, the effect of which requires Network Upgrades to Transmission Provider's Transmission System.	Tariff, Part VIII, Subpart A, section 400  Definitions A	Independent Entity Variation	PJM's definition of "Affected System Facility" substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition of "Affected System Network Upgrades," PJM's term encompasses additions, modifications, and upgrades to the Transmission Provider's Transmission System, which cause Network Upgrades to the Transmission Provider's Transmission System to be required. However, PJM's definition does not specify whether such upgrades are associated with or needed to

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
					accommodate a customer's proposed interconnection.
6.	<b>Affected System Operator</b> shall mean the entity that operates an Affected System.	<b>Affected System Operator:</b>  "Affected System Operator" shall mean an entity that operates an Affected System or, if the Affected System is under the operational control of an independent system operator or a regional transmission organization, such independent entity.	Tariff, Part VIII, Subpart A, section 400  Definitions A	Compliant	PJM's term and definition of "Affected System Operator" substantially complies with the <i>pro forma</i> LGIP. Both terms refer to an entity that operates an Affected System. However, PJM's definition also covers Affected Systems under the operation control of an ISO or RTO.
7.	<b>Affected System Queue Position</b> shall mean the queue position of an Affected System Interconnection Customer in Transmission Provider's interconnection queue relative to Transmission Provider's Interconnection Customers' Queue Positions.	Affected System Customer shall include the project identification or reference number assigned to the Affected System Facility by the Affected System Operator and attach the relevant Affected System Operator Study that identified the need for such Facilities Study Agreement. Transmission Provider shall assign to Affected System's Customer's project the same project identification or reference number used by the Affected System Operator.	Tariff, Part VIII, Subpart G, sections 434(B)(1)(a), 434(B)(1)(a)(i)  Affected System Rules	Independent Entity Variation	For study purposes, the Affected System Customer will use an Affected System Operator Identifier that will identify the Affected System Operator and the Affected System interconnection request number. PJM will assign to Affected System Customer's project the same project identification or reference number used by the Affected System Operator.
8.	<b>Affected System Study</b> shall mean the evaluation of Affected System Interconnection	The Transmission Provider will coordinate with Affected System Operators the conduct of <i>any studies required to determine the impact of</i>	Tariff, Part VIII, Subpart G,	Independent Entity Variation	PJM's Tariff does not contains a defined term for "Affected System Study." However, PJM's Tariff contains "Affected

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	Customers' proposed interconnection(s) to a transmission system other than Transmission Provider's Transmission System that have an impact on Transmission Provider's Transmission System, as described in Section 9 of this LGIP.	<i>a New Service Request on any Affected System</i> and will include those results in the Phase II System Impact Study, if available from the Affected System.	section 434(A)(1)  Affected System Rules		System Rules," which specify that Affected System studies are "any studies required to determine the impact of a New Service Request on any Affected System." An Affected System is an Electric System other than the Transmission Provider's Transmission System.
9.	<b>Affected System Study Agreement</b> shall mean the agreement contained in Appendix 9 to this LGIP that is made between Transmission Provider and Affected System Interconnection Customer to conduct an Affected System Study pursuant to Section 9 of this LGIP.	<b>Affected System Customer Facilities Study Application and Agreement:</b>  "Affected System Customer Facilities Study Application and Agreement" shall mean the agreement set forth in Tariff, Part IX, Subpart L, Affected System Customer Facilities Study Application and Agreement.	Tariff, Part VIII, Subpart A, section 400  Definitions A	Independent Entity Variation	PJM's Affected System Customer Facilities Study Application and Agreement is based on the Final Rule's <i>pro forma</i> Affected System Impact Study Application and Agreement, which is included in Tariff, Part IX. Further, the definition of Affected System Customer Facilities Study Application and Agreement substantially complies with the <i>pro forma</i> LGIP because it identifies the study to be used.
10.	<b>Affected System Study Report</b> shall mean the report issued following completion of an Affected	Upon receipt of the Affected System Customer Facility Study report, Transmission Provider and the Affected System Customer shall enter into a stand-alone Construction Service Agreement or a Network Upgrade Cost	Tariff, Part VIII, Subpart G, section 434(B)(3)	Independent Entity Variation	The PJM Tariff does not contain a defined term for "Affected System Study Report" or a similar defined term. However, PJM's Affected System Rules indicate that PJM releases Affected System Study reports

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	System Study pursuant to Section 9.7 of this LGIP.	Responsibility Agreement (forms of which are found in Tariff, Part IX) for the construction of the upgrades with each Transmission Owner responsible for constructing such upgrades if a Construction Service Agreement is required, or for each set of Common Use Upgrades on the system of such Transmission Owner if a Network Upgrade Cost Responsibility Agreement is required. Transmission Provider shall provide in electronic form a draft stand-alone Construction Service Agreement or a Network Upgrade Cost Responsibility Agreement in electronic form.	Affected System Rules		after completing such study. PJM makes study reports available on the PJM website.
11.	<b>Affiliate</b> shall mean, with respect to a corporation, partnership or other entity, each such other corporation, partnership or other entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such corporation, partnership or other entity.	<b>Affiliate:</b> “Affiliate” shall mean any two or more entities, one of which Controls the other or that are under common Control. “Control,” as that term is used in this definition, shall mean the possession, directly or indirectly, of the power to direct the management or policies of an entity. Ownership of publicly-traded equity securities of another entity shall not result in Control or affiliation for purposes of the Tariff or Operating Agreement if the securities are held	Tariff, Part VIII, Subpart A, section 400  Definitions A	Independent Entity Variation	PJM’s term and definition for “Affiliate” substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP term, PJM’s term defines “Affiliate” as an entity that controls another (directly or indirectly) or entities that are under common Control. PJM’s term defines “Control” and specifies how the ownership of certain publicly traded equity securities may determine Affiliation or Control.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
		as an investment, the holder owns (in its name or via intermediaries) less than 10 percent of the outstanding securities of the entity, the holder does not have representation on the entity's board of directors (or equivalent managing entity) or vice versa, and the holder does not in fact exercise influence over day-to-day management decisions. Unless the contrary is demonstrated to the satisfaction of the Members Committee, Control shall be presumed to arise from the ownership of or the power to vote, directly or indirectly, 10 percent or more of the voting securities of such entity.			
12.	<b>Ancillary Services</b> shall mean those services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of Transmission Provider's Transmission System in accordance with Good Utility Practice.	<b>Ancillary Services:</b> "Ancillary Services" shall mean those services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of the Transmission Provider's Transmission System in accordance with Good Utility Practice.	Tariff, Part VIII, Subpart A, section 400  Definitions A	Compliant	PJM's term and definition of "Ancillary Services" complies with the <i>pro forma</i> LGIP. PJM's definition is nearly identical to the definition of "Ancillary Services" under the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP, PJM's term refers to the same services, which are necessary to support the transmission of capacity and energy from resources to loads.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
13.	<b>Applicable Laws and Regulations</b> shall mean all duly promulgated applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority.	<b>Applicable Laws and Regulations:</b> “Applicable Laws and Regulations” shall mean all duly promulgated applicable federal, State and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority having jurisdiction over the relevant parties, their respective facilities, and/or the respective services they provide.	Tariff, Part VIII, Subpart A, section 400  Definitions A	Compliant	PJM’s term and definition of “Applicable Laws and Regulations” complies with the <i>pro forma</i> LGIP. Like the term contained in the <i>pro forma</i> LGIP, PJM’s term refers to the same types of authority. However, PJM’s term specifies that the only Applicable Laws and Regulations of Governmental Authorities with jurisdiction over the relevant parties, their respective facilities, and/or respective services, are relevant.
14.	<b>Applicable Reliability Standards</b> shall mean the requirements and guidelines of the Electric Reliability Organization and the Balancing Authority Area of the Transmission System to which the Generating Facility is directly interconnected.	<b>Applicable Standards:</b> “Applicable Standards” shall mean the requirements and guidelines of NERC, the Applicable Regional Entity, the Control Area in which the Generating Facility or Merchant Transmission Facility is electrically located and the Transmission Owner FERC Form No. 715 – Annual Transmission Planning and Evaluation Report for each Applicable Regional Entity; the PJM Manuals; and Applicable Technical Requirements and Standards.	Tariff, Part VIII, Subpart A, section 400  Definitions A	Independent Entity Variation	PJM’s term and definition of “Applicable Standards” complies with the <i>pro forma</i> LGIP. Like the “Applicable Reliability Standards” term under the <i>pro forma</i> LGIP, PJM’s definition refers to the same reliability requirements and guidelines. However, PJM’s term specifies which requirements and guidelines apply to facilities in the PJM Region.



	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
15.	<p><b>Balancing Authority</b> shall mean an entity that integrates resource plans ahead of time, maintains demand and resource balance within a Balancing Authority Area, and supports interconnection frequency in real time.</p>	<p><b>Transmission Provider:</b></p> <p>The "Transmission Provider" shall be the Office of the Interconnection for all purposes, provided that the Transmission Owners will have the responsibility for the following specified activities:</p> <p>(a)The Office of the Interconnection shall direct the operation and coordinate the maintenance of the Transmission System, except that the Transmission Owners will continue to direct the operation and maintenance of those transmission facilities that are not listed in the PJM Designated Facilities List contained in the PJM Manual on Transmission Operations;</p> <p>(b)Each Transmission Owner shall physically operate and maintain all of the facilities that it owns; and</p> <p>(c)When studies conducted by the Office of the Interconnection indicate that enhancements or modifications to the Transmission System are necessary, the Transmission Owners shall have the responsibility,</p>	<p>Tariff, Part VIII, Subpart A, section 400</p> <p>Definitions T</p>	<p>Independent Entity Variation</p>	<p>PJM is the Balancing Authority for the PJM Region.</p>

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
		in accordance with the applicable terms of the Tariff, Operating Agreement and/or the Consolidated Transmission Owners Agreement to construct, own, and finance the needed facilities or enhancements or modifications to facilities.			
16.	<b>Balancing Authority Area</b> shall mean the collection of generation, transmission, and loads within the metered boundaries of the Balancing Authority. The Balancing Authority maintains load-resource balance within this area.	<b>Transmission System:</b>  "Transmission System" shall mean the facilities controlled or operated by the Transmission Provider within the PJM Region that are used to provide transmission service under Tariff, Part II and Part III.	Tariff, Part VIII, Subpart A, section 400  Definitions T	Independent Entity Variation	The PJM Transmission System is the Balancing Authority Area for the PJM Region.
17.	<b>Base Case</b> shall mean the base case power flow, short circuit, and stability data bases used for the Interconnection Studies by Transmission Provider or Interconnection Customer.	<b>Base Case Data:</b>  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 VIII, Subpart E, section 425. Such base	Tariff, Part VIII, Subpart E, section 416  Base Case Data	Independent Entity Variation	The PJM Tariff does not contain a defined term for the "Base Case" term. However, consistent with the <i>pro forma</i> LGIP, PJM maintains base case power flow, short circuit, and stability databases.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
		case power flows and underlying assumptions should reasonably represent those used during the most recent Cycle. Transmission Provider may require Project Developers or Eligible 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.			
18.	<b>Breach</b> shall mean the failure of a Party to perform or observe any material term or condition of the Standard Large Generator Interconnection Agreement.	<b>Breach:</b> “Breach” shall mean the failure of a party to perform or observe any material term or condition of the Tariff, Part VIII, or any agreement entered into thereunder as described in the relevant provisions of such agreement.	Tariff, Part VIII, Subpart A, section 400  Definitions B	Compliant	PJM’s definition of “Breach” complies with the <i>pro forma</i> LGIP. Like the term under the <i>pro forma</i> LGIP, PJM’s definition defines Breach as a party’s failure to perform or observe any material term or condition under the agreement. However, PJM’s term also specifies that “Breach” also encompasses a party’s failure to

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
					perform or observe any material term or condition under Tariff, Part VIII.
19.	<b>Breaching Party</b> shall mean a Party that is in Breach of the Standard Large Generator Interconnection Agreement.	<b>Breaching Party:</b> “Breaching Party” shall mean a party that is in Breach of the Tariff, Part VIII and/or an agreement entered into thereunder.	Tariff, Part VIII, Subpart A, section 400  Definitions B	Independent Entity Variation	PJM’s definition of “Breaching Party” substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP term, PJM’s term means a party in breach of the interconnection agreement. However, PJM’s term specifies that breaches extend not only to the agreement but also to breaches of the Tariff, Part VIII.
20.	<b>Business Day</b> shall mean Monday through Friday, excluding Federal Holidays.	<b>Business Day:</b> “Business Day” shall mean a day ending at 5 pm Eastern prevailing time in which the Federal Reserve System is open for business and is not a scheduled PJM holiday.	Tariff, Part VIII, Subpart A, section 400  Definitions B	Independent Entity Variation	PJM’s definition of “Business Day” complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition, PJM’s definition specifies that business days are Monday through Friday, excluding Federal Holidays (days in which the Federal Reserve System is closed for business). However, PJM’s definition specifies that a Business Day ends at 5 pm, Eastern and does not include PJM scheduled holidays.
21.	<b>Calendar Day</b> shall mean any day including Saturday,	No equivalent provision.	No equivalent provision.	No equivalent provision.	PJM uses a specific definition for Business Day, but follows the plain meaning of this term.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	Sunday or a Federal Holiday.				This is also not a new term or change required by the Final Rule.
22.	<b>Cluster</b> shall mean a group of one or more Interconnection Requests that are studied together for the purpose of conducting a Cluster Study.	<p>Tariff, Part VIII, Subpart C sets forth the procedures and other terms governing the Transmission Provider's administration of the studies and procedures required under the Cycle process, and the nature and timing of such studies.</p> <p>The Phase I, Phase II and Phase III System Impact Studies are a regional analysis of the effect of adding to the Transmission System the new facilities and services proposed by valid New Service Requests and an evaluation of their impact on deliverability to the aggregate of PJM Network Load.</p> <p>Transmission Provider, in its sole discretion, can aggregate multiple New Service Requests at the same Point of Interconnection for purposes of Phase I, Phase II and Phase III System Impact Studies.</p>	<p>Tariff, Part VIII, Subpart C, sections 404(A)(1), (A)(2)(a), (A)(2)(a)(iii)</p> <p>Introduction</p>	Independent Entity Variation	The PJM Tariff does not contain the defined term, "Cluster." However, PJM has already adopted a cluster/Cycle study process. Under this process, PJM studies multiple New Service Requests submitted in the same application time frame in a single study.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
23.	<b>Cluster Request Window</b> shall mean the time period set forth in Section 3.4.1 of this LGIP.	<b>Cycle:</b>  “Cycle” shall mean that period of time between the start of an Application phase and conclusion of the corresponding Final Agreement Negotiation Phase. The Cycle consists of the Application Phase, Phase I, Decision Point I, Phase II, Decision Point II, Phase III, Decision Point III, and the Final Agreement Negotiation Phase.	Tariff, Part VIII, Subpart A, section 400  Definitions C	Independent Entity Variation	PJM uses a Cycle study approach that is the equivalent of the Final Rule’s Cluster study approach. The definition of Cycle set forth in Tariff, Part VIII, Subpart A substantially complies with the <i>pro forma</i> LGIP definition of Cluster Request Window as it identifies the start and end point of each Cycle.
24.	<b>Cluster Restudy</b> shall mean a restudy of a Cluster Study conducted pursuant to Section 7.5 of this LGIP.	<b>Phase II System Impact Study:</b>  “Phase II System Impact Study” shall mean System Impact Study conducted during the Phase II System Impact Study Phase  <b>Phase III System Impact Study:</b>  “Phase III System Impact Study” shall mean System Impact Study conducted during Phase III.	Tariff, Part VIII, Subpart A, section 400  Definitions P	Independent Entity Variation	While PJM does not have a specific definition for Cluster Restudy, the Phase II and Phase III Impact Studies are a retool (restudy) of the prior studies and are based on decisions made at the prior Decision Points. <i>See</i> Tariff, Part VIII, Subpart C, sections 407(A)(1)(a) and 409(A)(1)(a). Thus, these definitions contained in the PJM Tariff substantially comply with the <i>pro forma</i> LGIP and contain additional details concerning PJM’s Commission-approved three-stage study process.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
25.	<b>Cluster Restudy Report</b> shall mean the report issued following completion of a Cluster Restudy pursuant to Section 7.5 of this LGIP.	Tariff, Part VIII, Subpart C, sections 407 and 409 set forth the rules for the Phase II and Phase III System Impact Studies and System Impact Study results, respectively, and indicate that these studies are a retool (restudy) of the prior studies based on decisions made at the prior Decision Point. They also require PJM to publicly post a study report for each Phase at the end of each Phase.	Tariff, Part VIII, Subpart C, sections 407(A)(1)(a) and (c), 409(A)(1)(a) and (c)	Independent Entity Variation	While PJM does not have a specific definition for Cluster Restudy Report, the Phase II and Phase III Rules specify that the Phase II and III System Impact analyses are a retool (restudy) of the prior studies based on decisions made at the prior Decision Point. PJM makes the results of these studies (at the end of each phase) publicly available on the PJM website.
26.	<b>Cluster Restudy Report Meeting</b> shall mean the meeting held to discuss the results of a Cluster Restudy pursuant to Section 7.5 of this LGIP.	No equivalent provision.	No equivalent provision.	Independent Entity Variation	PJM may hold one or more scoping meetings during the Applicable Review Phase. <i>See</i> Tariff, Part VIII, Subpart B, section 403(C). Requiring PJM to hold additional meetings at the end of each Phase will be cumbersome, given the number of Interconnection Requests that will be pending at the end of each Phase.
27.	<b>Cluster Study</b> shall mean the evaluation of one or more Interconnection Requests within a Cluster as described in Section 7 of this LGIP.	<b>Phase I System Impact Study:</b> “Phase I System Impact Study” shall mean System Impact Study conducted during the Phase I System Impact Study Phase.	Tariff, Part VIII, Subpart A, section 400  Definitions P	Independent Entity Variation	These definitions substantially comply with the <i>pro forma</i> LGIP in that they identify each of the specific studies, while adding detail that is appropriate for PJM’s Commission-approved three-stage study process.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
		<p><b>Phase II System Impact Study:</b></p> <p>“Phase II System Impact Study” shall mean System Impact Study conducted during the Phase II System Impact Study Phase.</p> <p><b>Phase III System Impact Study:</b></p> <p>“Phase III System Impact Study” shall mean System Impact Study conducted during Phase III.</p>			<p>The Phase I System Impact Study is conducted on an aggregate basis within a New Services Request’s Cycle, with results provided in a single Cycle Format.</p> <p>The Phase II System Impact Study analysis retools the load flow results based on decisions made during Decision Point I, and performs short circuit and stability analyses as required.</p> <p>The Phase III System Impact Study analysis retools the load flow, short circuit, and stability results based on the decisions made in Decision Point II.</p>
28.	<b>Cluster Study Agreement</b> shall mean the agreement contained in Appendix 2 to this LGIP for conducting the Cluster Study.	<p><b>Application and Studies Agreement:</b></p> <p>“Application and Studies Agreement” shall mean the application that must be submitted by a Project Developer or Eligible Customer that seeks to initiate a New Service Request, a form of which is set forth in Tariff, Part VIII, Subpart A. An Application</p>	<p>Tariff, Part VIII, Subpart A, section 400</p> <p>Definitions A</p>	Independent Entity Variation	PJM’s term and definition of “Application and Studies Agreement” substantially complies with the <i>pro forma</i> LGIP. The terms, “Cluster Study Agreement” and “Application and Studies Agreement,” have similar definitions that refer to an agreement between the transmission provider and the interconnection customer to



	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
		and Studies Agreement must be submitted electronically through PJM's web site in accordance with PJM's Manuals.			conduct a study of the proposed interconnection. However, PJM's term lists the relevant Tariff section and specifies PJM's process for submitting an Application and Studies Agreements.
29.	<b>Cluster Study Process</b> shall mean the following processes, conducted in sequence: the Cluster Request Window; the Customer Engagement Window and Scoping Meetings therein; the Cluster Study; any needed Cluster Restudies; and the Interconnection Facilities Study.	Tariff, Part VIII has definitions and substantial provisions addressing each step in this process.	Tariff, Part VIII, Subpart A, sections 400 Definitions C (Cycle), Definitions F (Facilities Study), Definitions P (Phase I System Impact Study, Phase II System Impact Study, and Phase III System Impact Study), 401(A); Tariff, Part VIII, Subpart B, section 403(C); Tariff, Part VIII, Subpart C, sections 404(A)(1)-(2) and (7), 405(A)(1)(a),	Independent Entity Variation	While the PJM Tariff does not have a specific definition of Cluster Study Process, this definition is unnecessary, as Tariff Part VIII has definitions and substantial provisions addressing each step in this process.  PJM's Tariff defines "Application Phase" as the process that encompasses the submission and review of New Service Requests as described under Tariff, Part VIII, Subpart B, sections 403(A) and (B). Further, Tariff, Part VIII, Subpart A, section 401 and Subpart C, section 404 also provide overviews of the Cycle process.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
			407(A)(1)(a), (c)-(d), 409(A)(1)(a), (c)-(d)		
30.	<b>Cluster Study Report</b> shall mean the report issued following completion of a Cluster Study pursuant to Section 7 of this LGIP.	The Phase I System Impact Study is conducted on an aggregate basis within a New Services Request's Cycle, and results are provided in a single Cycle format. The Phase I System Impact Study Results will be publicly available on Transmission Provider's website; Project Developers must obtain the results from the website.	Tariff, Part VIII, Subpart C, section 405(A)(1)(a)	Independent Entity Variation	While PJM does not have a specific definition for Cluster Study Report, the Phase I System Impact Study is the equivalent study, with the study report to be provided at the end of Phase I. PJM posts the results of the Phase I System Impact Study on the PJM website.
31.	<b>Cluster Study Report Meeting</b> shall mean the meeting held to discuss the results of a Cluster Study pursuant to Section 7 of this LGIP.	No equivalent provision.	No equivalent provision.	Independent Entity Variation	PJM may hold one of more scoping meetings during the Applicable Review Phase. <i>See</i> Tariff, Part VIII, Subpart B, section 403(C). During the Application Review Phase, PJM may hold scoping meetings for projects in each Transmission Owner zone, but may be waived by Applicants or the Transmission Owners. During scoping meetings, PJM may discuss potential Affected System needs.  Requiring PJM to hold additional meetings at the end of each Phase will be cumbersome,

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
					given the number of Interconnection Requests that will be pending at the end of each Phase.
32.	<p><b>Clustering</b> shall mean the process whereby one or more Interconnection Requests are studied together, instead of serially, as described in Section 7 of this LGIP.</p>	<p><b>Cycle:</b></p> <p>“Cycle” shall mean that period of time between the start of an Application phase and conclusion of the corresponding Final Agreement Negotiation Phase. The Cycle consists of the Application Phase, Phase I, Decision Point I, Phase II, Decision Point II, Phase III, Decision Point III, and the Final Agreement Negotiation Phase.</p> <p><b>Project Identifier:</b></p> <p>“Project Identifier” shall mean, when an Application from a Project Developer or an Eligible Customer results in a valid New Service Request, in accordance with Tariff, Part VII, Subpart C, section 306 [or Part VIII, Subpart B, section 403], the assigned Project Identifier to such request as confirmed by Transmission Provider. For Project Developers and Eligible Customers, the Project Identifier will indicate the applicable Cycle, and will denote a</p>	<p>Tariff, Part VIII, Subpart A, section 400</p> <p>Definitions C and P</p>	Independent Entity Variation	<p>While the PJM Tariff does not have a specific definition of Clustering, these definitions substantially comply with the <i>pro forma</i> LGIP by making it clear that PJM uses a Cycle (cluster) approach under which all interconnection requests within a given cycle are studied together. Tariff, Part VIII, Subpart A, section 401(A) also indicates that states that: “[f]or projects submitted by Project Developers, the project’s priority is defined by the Cycle in which a Project Developer submits a completed New Service Request” and that “[a] given Cycle has priority over Cycles that commence at a later date.”</p> <p>The Phase I, Phase II, and Phase III System Impact Studies identify the system constraints, relating to the New Service Request. PJM has the discretion to aggregate multiple New Service Requests at the same</p>

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
		number that represents the project within the Cycle. The Project Identifier is strictly for identification purposes, and does not indicate priority within a Cycle.			point of Interconnection during such studies. <i>See</i> Tariff, Part VIII, Subpart C, section 404(A)(2)(a)(iii).
33.	<b>Commercial Operation</b> shall mean the status of a Generating Facility that has commenced generating electricity for sale, excluding electricity generated during Trial Operation.	<b>Commercial Operation:</b>  On or before _____, Project Developer must demonstrate commercial operation of all generating units in order to achieve the full Maximum Facility Output set forth in section 1.0(c) of the Specifications to this GIA. Failure to achieve this Maximum Facility Output may result in a permanent reduction in Maximum Facility Output of the Generating Facility, and if, necessary, a permanent reduction of the Capacity Interconnection Rights, to the level achieved. Demonstrating commercial operation includes achieving Initial Operation in accordance with section 1.4 of Appendix 2 to this GIA and making commercial sales or use of energy, as well as, if applicable, obtaining capacity qualification in accordance with the requirements of the	Tariff, Part IX, Subpart B GIA, section 6.3	Independent Entity Variation	PJM's Tariff does not contain a specific defined term for "Commercial Operation." Consistent with the <i>pro forma</i> LGIP, PJM's Tariff specifies how a Developer can demonstrate commercial operation, which includes achieving Initial Operation and making commercial sales of energy. Section 6.3 of PJM's <i>pro forma</i> GIA establishes a milestone date for achieving commercial operation. This is also not a new term or change required by the Final Rule.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
		Reliability Assurance Agreement Among Load Serving Entities in the PJM Region.			
34.	<b>Commercial Operation Date</b> of a unit shall mean the date on which the Generating Facility commences Commercial Operation as agreed to by the Parties pursuant to Appendix E to the Standard Large Generator Interconnection Agreement.	<b>Commercial Operation:</b>  On or before _____, Project Developer must demonstrate commercial operation of all generating units in order to achieve the full Maximum Facility Output set forth in section 1.0(c) of the Specifications to this GIA. Failure to achieve this Maximum Facility Output may result in a permanent reduction in Maximum Facility Output of the Generating Facility, and if, necessary, a permanent reduction of the Capacity Interconnection Rights, to the level achieved. Demonstrating commercial operation includes achieving Initial Operation in accordance with section 1.4 of Appendix 2 to this GIA and making commercial sales or use of energy, as well as, if applicable, obtaining capacity qualification in accordance with the requirements of the Reliability Assurance Agreement Among Load Serving Entities in the PJM Region	Tariff, Part IX, Subpart B GIA, section 6.3	Independent Entity Variation	Similar to the term Commercial Operation, PJM's Tariff does not contain a specific defined term for "Commercial Operation Date." However, section 6.3 of PJM's <i>pro forma</i> GIA establishes a milestone date for achieving commercial operation. This is also not a new term or change required by the Final Rule.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
35.	<b>Commercial Readiness Deposit</b> shall mean a deposit paid as set forth in Sections 3.4.2, 7.5, and 8.1 of this LGIP.	<b>Readiness Deposit:</b>  “Readiness Deposit” shall mean the deposit or deposits required by Tariff, Part VIII, Subpart A, section 401(D).	Tariff, Part VIII, Subpart A, section 400  Definitions R	Independent Entity Variation	PJM’s definition of “Readiness Deposit” substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition of “Commercial Readiness Deposit,” PJM’s term incorporates by reference certain Tariff sections that, collectively, define a Readiness Deposit as a requirement to enter interconnection study process.
36.	<b>Confidential Information</b> shall mean any confidential, proprietary or trade secret information of a plan, specification, pattern, procedure, design, device, list, concept, policy or compilation relating to the present or planned business of a Party, which is designated as confidential by the Party supplying the information, whether conveyed orally, electronically, in writing, through inspection, or otherwise.	<b>Confidential Information:</b>  “Confidential Information” shall mean any confidential, proprietary, or trade secret information of a plan, specification, pattern, procedure, design, device, list, concept, policy, or compilation relating to the present or planned business of a Project Developer, Eligible Customer, Transmission Owner, or other Interconnection Party or Construction Party, which is designated as confidential by the party supplying the information, whether conveyed verbally, electronically, in writing, through inspection, or otherwise, and shall include, without limitation, all information relating to the producing party’s technology,	Tariff, Part VIII, Subpart A, section 400  Definitions C	Independent Entity Variation	PJM’s definition of “Confidential Information” substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition, PJM’s definition specifies the same types of information that are considered “Confidential Information.” However, PJM’s term provides a non-exhaustive sample list of items that could be designated as confidential information.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
		research and development, business affairs and pricing, and any information supplied by any Project Developer, Eligible Customer, Transmission Owner, or other Interconnection Party or Construction Party to another such party prior to the execution of an Generation Interconnection Agreement or a Construction Service Agreement.			
37.	<b>Contingent Facilities</b> shall mean those unbuilt Interconnection Facilities and Network Upgrades upon which the Interconnection Request's costs, timing, and study findings are dependent, and if delayed or not built, could cause a need for restudies of the Interconnection Request or a reassessment of the Interconnection Facilities and/or Network Upgrades and/or costs and timing.	<b>Contingent Facilities:</b> "Contingent Facilities" shall mean those unbuilt Interconnection Facilities and Network Upgrades upon which the Interconnection Request's costs, timing, and study findings are dependent and, if delayed or not built, could cause a need for restudies of the Interconnection Request or a reassessment of the Interconnection Facilities and/or Network Upgrades and/or costs and timing.	Tariff, Part VIII, Subpart A, section 400  Definitions C	Compliant	PJM's definition of "Contingent Facilities" substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition, PJM's term defines Contingent Facilities as the unbuilt interconnection facilities and network upgrades, on which the costs, timing, and study results of the interconnection request could lead to restudies or reassessments of costs, timing, and study findings, if they are delayed or not constructed.
38.	<b>Customer Engagement Window</b> shall mean the	<b>Scoping Meetings:</b>  1. During the Application Review Phase, Transmission Provider may	Tariff, Part VIII, Subpart B, section 403(C)	Independent Entity Variation	While the PJM Tariff does not contain a specific definition of Customer Engagement Window, the scoping meetings provisions

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	time period set forth in Section 3.4.5 of this LGIP.	hold a single, or several, scoping meetings for projects in each Transmission Owner zone, which are optional and may be waived by Applicants or Transmission Owner.  2. Scoping meetings may include discussion of potential Affected System needs, whereby Transmission Provider may coordinate with Affected System Operators the conduct of required studies.	Application Rules		of Tariff, Part VIII, Subpart B, section 403(C) allows for meetings between PJM, the Transmission Owner, and Project Developers during the Application Review Phase.
39.	<b>Default</b> shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the Standard Large Generator Interconnection Agreement.	<b>Default:</b>  As used in the Generation Interconnection Agreement, Construction Service Agreement, and Network Upgrade Cost Responsibility Agreement, “Default” shall mean the failure of a Breaching Party to cure its Breach in accordance with the applicable provisions of a Generation Interconnection Agreement, Construction Service Agreement, or Network Upgrade Cost Responsibility Agreement.	Tariff, Part VIII, Subpart A, section 400  Definitions D	Independent Entity Variation	PJM’s definition of “Default” substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition, PJM’s term defines “Default” as the failure of a Breaching Party to cure in accordance with the agreement. However, PJM’s definition specifies that this term applies to the listed agreements.
40.	<b>Dispute Resolution</b> shall mean the procedure for resolution of a dispute between the Parties in	No equivalent definition; however, Tariff, Part I, section 12 and Part VIII, Subpart E, section 419 establish detailed dispute resolution	Tariff, Part I, section 12, Part VIII, Subpart E, section 419;	Independent Entity Variation	While the PJM Tariff does not contain a specific definition for Dispute Resolution, Tariff, Part VIII, Subpart E, section 419



	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	which they will first attempt to resolve the dispute on an informal basis.	procedures. Tariff, Part IX, section 500 also indicates that a Project Developer and Transmission Owner can request dispute resolution at the time it is tendering a final interconnection agreement for execution.	Tariff, Part IX, section 500		establishes procedures that can be used for disputes between PJM, the Transmission Owner, or the Project Developer. A Project Developer can also request use of the general dispute resolution procedures under the Tariff in the event of a dispute or impasse over the negotiation of a final interconnection agreement. <i>See</i> Tariff, Part VIII, Subpart D, sections 411(B)(3)-(4). Dispute resolution can also be requested by an Affected System Customer, Tariff, Part VIII, Subpart G, section 434(B)(3)(c). Dispute resolution can also be requested under the various forms of interconnection agreements. <i>See</i> Tariff, Part IX, section 500. This is also not a new term or change required by the Final Rule.
41.	<b>Distribution System</b> shall mean Transmission Provider’s facilities and equipment used to transmit electricity to ultimate usage points such as homes and industries directly from nearby generators or from	<b>Distribution System:</b> “Distribution System” shall mean the Transmission Owner’s facilities and equipment used to transmit electricity to ultimate usage points such as homes and industries directly from nearby generators or from interchanges with higher	Tariff, Part VIII, Subpart A, section 400  Definitions D	Compliant	PJM’s definition of “Distribution System” substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition, PJM’s term defines “Distribution System” as the transmission provider’s facilities and

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	interchanges with higher voltage transmission networks which transport bulk power over longer distances. The voltage levels at which distribution systems operate differ among areas.	voltage transmission networks which transport bulk power over longer distances. The voltage levels at which distribution systems operate differ among areas.			equipment to transmit electricity at different voltage levels.
42.	<p><b>Distribution Upgrades</b> shall mean the additions, modifications, and upgrades to the Transmission Provider's Distribution System at or beyond the Point of Interconnection to facilitate interconnection of the Generating Facility and render the transmission service necessary to effect Interconnection Customer's wholesale sale of electricity in interstate commerce. Distribution Upgrades do not include Interconnection Facilities.</p>	<p><b>Distribution Upgrades:</b></p> <p>"Distribution Upgrades" shall mean the additions, modifications, and upgrades to the Distribution System at or beyond the Point of Interconnection to facilitate interconnection of the Generating Facility and render the delivery service necessary to affect Project Developer's wholesale sale of electricity in interstate commerce. Distribution Upgrades do not include Interconnection Facilities.</p>	<p>Tariff, Part VIII, Subpart A, section 400</p> <p>Definitions D</p>	Compliant	<p>Like the <i>pro forma</i> LGIP definition, PJM's term refers to additions, modifications, and upgrades to the Distribution System to facilitate the interconnection of Generating Facilities as "Distribution Upgrades."</p>

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
43.	<b>Effective Date</b> shall mean the date on which the Standard Large Generator Interconnection Agreement becomes effective upon execution by the Parties subject to acceptance by FERC, or if filed unexecuted, upon the date specified by FERC.	<b>Commencement Date:</b>  “Commencement Date” shall mean the date on which Interconnection Service commences in accordance with a Generation Interconnection Agreement.	Tariff, Part VIII, Subpart A, section 400  Definitions C	Independent Entity Variation	PJM’s definition of “Commencement Date” substantially complies with the <i>pro forma</i> LGIP. Consistent with the <i>pro forma</i> LGIP definition of “Effective Date,” PJM’s term specifies that the date on which the agreement is affective is based on the terms of the GIA.
44.	<b>Electric Reliability Organization</b> shall mean the North American Electric Reliability Corporation (NERC) or its successor organization.	<b>NERC:</b>  “NERC” shall mean the North American Electric Reliability Corporation or any successor thereto.	Tariff, Part VIII, Subpart A, section 400  Definitions N	Compliant	PJM’s definition of “NERC” complies with the <i>pro forma</i> LGIP term “Electric Reliability Organization.” Like the <i>pro forma</i> LGIP term, PJM’s definition refers to NERC.
45.	<b>Emergency Condition</b> shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of a Transmission Provider, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or	<b>Emergency Condition:</b>  “Emergency Condition” shall mean a condition or situation (i) that in the judgment of any Interconnection Party is imminently likely to endanger life or property; or (ii) that in the judgment of the Transmission Owner or Transmission Provider is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Transmission System, the	Tariff, Part VIII, Subpart A, section 400  Definitions E	Independent Entity Variation	PJM’s definition of “Emergency Condition” substantially complies with the <i>pro forma</i> LGIP term. Like the <i>pro forma</i> LGIP definition, PJM’s term defines an Emergency Condition as a condition that is imminently likely to endanger life or property, or cause material adverse effect on the transmission system or relevant facilities. However, PJM’s term specifies that any condition that results from a lack of sufficient

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	<p>damage to Transmission Provider's Transmission System, Transmission Provider's Interconnection Facilities or the electric systems of others to which Transmission Provider's Transmission System is directly connected; or (3) that, in the case of Interconnection Customer, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Generating Facility or Interconnection Customer's Interconnection Facilities. System restoration and black start shall be considered Emergency Conditions; provided that Interconnection Customer is not obligated by the Standard Large Generator Interconnection Agreement to possess black start capability.</p>	<p>Interconnection Facilities, or the transmission systems or distribution systems to which the Transmission System is directly or indirectly connected; or (iii) that in the judgment of Project Developer is imminently likely (as determined in a non-discriminatory manner) to cause damage to the Generating Facility or to the Project Developer Interconnection Facilities. System restoration and black start shall be considered Emergency Conditions, provided that a Generation Project Developer is not obligated by a Generation Interconnection Agreement to possess black start capability. Any condition or situation that results from lack of sufficient generating capacity to meet load requirements or that results solely from economic conditions shall not constitute an Emergency Condition, unless one or more of the enumerated conditions or situations identified in this definition also exists.</p>			<p>generating capacity to meet load requirements or economic conditions shall not constitute an Emergency Condition, unless one of the enumerated conditions also exists.</p>

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
46.	<b>Energy Resource Interconnection Service</b> shall mean an Interconnection Service that allows Interconnection Customer to connect its Generating Facility to the Transmission Provider's Transmission System to be eligible to deliver the Generating Facility's electric output using the existing firm or nonfirm capacity of the Transmission Provider's Transmission System on an as available basis. Energy Resource Interconnection Service in and of itself does not convey transmission service.	<b>Interconnection Service:</b>  "Interconnection Service" shall mean the physical and electrical interconnection of the Generating Facility with the Transmission System pursuant to the terms of this Tariff, Part VIII and the Generation Interconnection Agreement entered into pursuant thereto by Project Developer, the Transmission Owner and Transmission Provider.	Tariff, Part VIII, Subpart A, section 400  Definitions I	Independent Entity Variation	The term "Energy Resource Interconnection Service" is not included as a defined term as it is not used in the Part VIII or Part IX Tariff. However, PJM's definition of "Interconnection Service" substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition, PJM's term defines Interconnection Service as the physical and electrical interconnection of the Generating Facility with the Transmission System.
47.	<b>Engineering &amp; Procurement (E&amp;P) Agreement</b> shall mean an agreement that authorizes the Transmission Provider to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection in order to advance the implementation	<b>Engineering and Procurement Agreement:</b>  "Engineering and Procurement Agreement" shall mean an agreement that authorizes Transmission Owner to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection in order to advance	Tariff, Part VIII, Subpart A, section 400  Definitions E	Independent Entity Variation	PJM's definition of "Engineering and Procurement Agreement" substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP term, PJM's term defines this type of agreement as one that authorizes a transmission provider to start engineering and procuring items necessary to establish interconnection. However,

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	of the Interconnection Request.	the implementation of the Interconnection Request. An Engineering and Procurement Agreement is not intended to be used for the actual construction of any Interconnection Facilities or Transmission Upgrades. A form of the Engineering and Procurement Agreement is set forth in Tariff, Part IX, Subpart D. An Engineering and Procurement Agreement can only be requested by a Project Developer, and can only be requested in Phase III.			PJM's term states that an Engineering and Procurement Agreement is not intended for actual construction of interconnection facilities or transmission upgrades, and can only be requested by the Project Developer in Phase III of the relevant process.
48.	<b>Environmental Law</b> shall mean Applicable Laws or Regulations relating to pollution or protection of the environment or natural resources.	<b>Applicable Laws and Regulations:</b> "Applicable Laws and Regulations" shall mean all duly promulgated applicable federal, State and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority having jurisdiction over the relevant parties, their respective facilities, and/or the respective services they provide.	Tariff, Part VIII, Subpart A, section 400  Definitions A	Independent Entity Variation	PJM's term and definition of "Applicable Laws" encompasses any environmental law or regulation issued or promulgated by any Governmental Authority, and thus substantially complies with the Final Rule. This is also not a new term or change required by the Final Rule.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
49.	<b>Federal Power Act</b> shall mean the Federal Power Act, as amended, 16 U.S.C. §§ 791a <u>et seq.</u>	<b>Federal Power Act:</b> “Federal Power Act” shall mean the Federal Power Act, as amended, 16 U.S.C. §§ 791a, et seq.	Tariff, Part VIII, Subpart A, section 400  Definitions F	Compliant	PJM’s definition of “Federal Power Act” has the same meaning as the corresponding term under the <i>pro forma</i> LGIP.
50.	<b>FERC</b> shall mean the Federal Energy Regulatory Commission (Commission) or its successor.	<b>FERC or Commission:</b> “FERC” or “Commission” shall mean the Federal Energy Regulatory Commission or any successor federal agency, commission or department exercising jurisdiction over the Tariff, Operating Agreement and Reliability Assurance Agreement.	Tariff, Part VIII, Subpart A, section 400  Definitions F	Compliant	PJM’s definition of “FERC or Commission” substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition, PJM’s term refers to FERC as the Federal Energy Regulatory Commission. However, PJM’s term further specifies that FERC is the federal agency with jurisdiction over the Tariff, Operating Agreement, and Reliability Assurance Agreement.
51.	<b>Force Majeure</b> shall mean any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other	<b>Force Majeure:</b> For the purposes of this section, shall mean any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any order, regulation, or restriction imposed by governmental, military, or lawfully established civilian authorities, or any other cause beyond a party’s control that, in any of the foregoing cases, by exercise of due diligence,	Tariff, Part IX, Subpart B GIA-Appendix 2, section 9.4	Compliant	PJM’s definition of “Force Majeure” substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition, PJM’s term describes similar events that would be considered a force majeure event. Further, PJM’s definition specifies that certain events are not considered a force majeure event.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	cause beyond a Party's control. A Force Majeure event does not include acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.	such party could not reasonably have been expected to avoid, and which, by the exercise of due diligence, it has been unable to overcome. Force majeure does not include (i) a failure of performance that is due to an affected party's own negligence or intentional wrongdoing; (ii) any removable or remediable causes (other than settlement of a strike or labor dispute) which an affected party fails to remove or remedy within a reasonable time; or (iii) economic hardship of an affected party.			
52.	<b>Generating Facility</b> shall mean Interconnection Customer's device(s) for the production and/or storage for later injection of electricity identified in the Interconnection Request, but shall not include Interconnection Customer's Interconnection Facilities.	<b>Generating Facility:</b> "Generating Facility" shall mean Project Developer's device for the production and/or storage for later injection of electricity identified in the New Service Request, but shall not include the Project Developer's Interconnection Facilities. A Generating Facility consists of one or more generating unit(s) and/or storage device(s) which usually can operate independently and be brought online or taken offline individually.	Tariff, Part VIII, Subpart A, section 400  Definitions G	Independent Entity Variation	PJM's definition of "Generating Facility" substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition, PJM's term defines Generating Facility as the customer's device for the production or storage of electricity, specified in the interconnection request. However, PJM's term provides that a Generating Facility consists of one or more generating units and/or storage devices, which can operate independently and can be



	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
					brought online or taken offline individually.
53.	<b>Generating Facility Capacity</b> shall mean the net capacity of the Generating Facility or the aggregate net capacity of the Generating Facility where it includes more than one device for the production and/or storage for later injection of electricity.	<b>Capacity Interconnection Rights:</b>  “Capacity Interconnection Rights” shall mean the rights to input generation as a Generation Capacity Resource into the Transmission System at the Point of Interconnection.	Tariff, Part VIII, Subpart A, section 400  Definitions C	Compliant	PJM’s definition of “Capacity Interconnection Rights” substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition of “Generating Facility Capacity,” PJM’s term defines Capacity Interconnection Rights as the rights to input or inject generation.
54.	<b>Good Utility Practice</b> shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a	<b>Good Utility Practice:</b>  “Good Utility Practice” shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is	Tariff, Part VIII, Subpart A, section 400  Definitions G	Independent Entity Variation	PJM’s definition of “Good Utility Practice” substantially complies with the <i>pro forma</i> LGIP definition. Like the <i>pro forma</i> LGIP definition, PJM’s term defines Good Utility Practice as any practices, methods, and acts engaged in or approved by a significant portion of the industry during the relevant time period. However, PJM’s definition also states that Good Utility Practice includes any practices required under the Federal Power Act, section 215(a)(4).

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region.	not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather is intended to include acceptable practices, methods, or acts generally accepted in the region; including those practices required by Federal Power Act, section 215(a)(4).			
55.	<b>Governmental Authority</b> shall mean any federal, state, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive,	<b>Governmental Authority:</b> “Governmental Authority” shall mean any federal, state, local or other governmental, regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, arbitrating body, or other governmental authority having jurisdiction over any Interconnection Party or Construction Party or regarding any matter relating to a Generation Interconnection Agreement or Construction Service Agreement, as applicable.	Tariff, Part VIII, Subpart A, section 400  Definitions G	Compliant	PJM’s definition of “Governmental Authority” substantially complies with the <i>pro forma</i> LGIP. PJM’s term not only shares the same name as the <i>pro forma</i> LGIP term, it refers to the same types of authorities that can have jurisdiction over the parties.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	police, or taxing authority or power; provided, however, that such term does not include Interconnection Customer, Transmission Provider, or any Affiliate thereof.				
56.	<b>Hazardous Substances</b> shall mean any chemicals, materials or substances defined as or included in the definition of “hazardous substances,” “hazardous wastes,” “hazardous materials,” “hazardous constituents,” “restricted hazardous materials,” “extremely hazardous substances,” “toxic substances,” “radioactive substances,” “contaminants,” “pollutants,” “toxic pollutants” or words of similar meaning and regulatory effect under any applicable Environmental Law, or any other chemical, material or substance, exposure to which is prohibited, limited	<b>Hazardous Substances:</b> “Hazardous Substance” shall mean any chemicals, materials or substances defined as or included in the definition of “hazardous substances,” “hazardous wastes,” “hazardous materials,” “hazardous constituents,” “restricted hazardous materials,” “extremely hazardous substances,” “toxic substances,” “radioactive substances,” “contaminants,” “pollutants,” “toxic pollutants” or words of similar meaning and regulatory effect under any applicable Environmental Law, or any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any applicable Environmental Law.	Tariff, Part VIII, Subpart A, section 400  Definitions H	Compliant	PJM’s definition of “Hazardous Substances” substantially complies with the <i>pro forma</i> LGIP. PJM’s definition lists the same chemicals, materials, or substances as Hazardous Substances, as the <i>pro forma</i> LGIP term.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	or regulated by any applicable Environmental Law.				
57.	<b>Initial Synchronization Date</b> shall mean the date upon which the Generating Facility is initially synchronized and upon which Trial Operation begins.	<b>Initial Operation:</b> “Initial Operation” shall mean the commencement of operation of the Generating Facility and Project Developer Interconnection Facilities after satisfaction of the conditions of Tariff, Part IX, Subpart B, Appendix 2, section 1.4.	Tariff, Part VIII, Subpart A, Definitions I and Part IX, Appendix 2, section 1.4 (description of Initial Operation)	Independent Entity Variation	While PJM does not include a definition of Initial Synchronization Date, the term Initial Operations includes receiving “any necessary authorization from Transmission Provider to synchronize with the Transmission System,” <i>see</i> Tariff, Appendix 2, section 1.4.5, and thus substantially complies with the <i>pro forma</i> LGIP. This is also not a new term or change required by the Final Rule.
58.	<b>In-Service Date</b> shall mean the date upon which the Interconnection Customer reasonably expects it will be ready to begin use of the Transmission Provider’s Interconnection Facilities to obtain back feed power.	<b>Initial Operation:</b> “Initial Operation” shall mean the commencement of operation of the Generating Facility and Project Developer Interconnection Facilities after satisfaction of the conditions of Tariff, Part IX, Subpart B, Appendix 2, section 1.4.	Tariff, Part VIII, Subpart A, section 400 Definitions I and Part IX, Appendix 2, section 1.4 (description of Initial Operation)	Independent Entity Variation	While PJM does not include a definition of Initial Synchronization Date, the term Initial Operations includes receiving “any necessary authorization from Transmission Provider to synchronize with the Transmission System,” <i>see</i> Tariff, Appendix 2, section 1.4.5, and thus substantially complies with the <i>pro forma</i> LGIP. This is also not a new term or change required by the Final Rule.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
59.	<b>Interconnection Customer</b> shall mean any entity, including Transmission Provider, Transmission Owner or any of the Affiliates or subsidiaries of either, that proposes to interconnect its Generating Facility with Transmission Provider's Transmission System.	<b>Generation Project Developer:</b>  "Generation Project Developer" shall mean an entity that submits a Generation Interconnection Request to interconnect a new generation facility or to increase the capacity of an existing generation facility interconnected with the Transmission System in the PJM Region.	Tariff, Part VIII, Subpart A, section 400  Definitions G	Compliant	PJM's definition of "Generation Project Developer" substantially complies with the <i>pro forma</i> LGIP definition of "Interconnection Customer." Consistent with the <i>pro forma</i> LGIP, any entity that submits that proposes to interconnect its generating facility with the PJM A Transmission System is considered Generation Project Developer under the PJM Tariff.
60.	<b>Interconnection Customer's Interconnection Facilities</b> shall mean all facilities and equipment, as identified in Appendix A of the Standard Large Generator Interconnection Agreement, that are located between the Generating Facility and the Point of Change of Ownership, including any modification, addition, or upgrades to such facilities and equipment necessary to physically and electrically interconnect the Generating Facility to Transmission	<b>Interconnection Facilities:</b>  "Interconnection Facilities" shall mean the Transmission Owner's Interconnection Facilities and the Project Developer's Interconnection Facilities. Collectively Interconnection Facilities include all facilities and equipment between the Generating Facility and the Point of Interconnection, including any modifications, additions, or upgrades that are necessary to physically and electrically interconnect the Generating Facility to the Transmission System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades, Stand Alone	Tariff, Part VIII, Subpart A, section 400  Definitions I	Compliant	PJM's definition of "Interconnection Facilities" substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition of "Interconnection Customer's Interconnection Facilities," PJM's term specifies that the Transmission Owner's Interconnection Facilities and the Project Developer's Interconnection Facilities are Interconnection Facilities. Further, PJM's definition also specifies that certain facilities, collectively, may be considered Interconnection Facilities (e.g., facilities and equipment between

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	Provider's Transmission System. Interconnection Customer's Interconnection Facilities are sole use facilities.	Network Upgrades, or Network Upgrades.			the Generating Facility and the Point of Interconnection).
61.	<b>Interconnection Facilities</b> shall mean Transmission Provider's Interconnection Facilities and Interconnection Customer's Interconnection Facilities. Collectively, Interconnection Facilities include all facilities and equipment between the Generating Facility and the Point of Interconnection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Generating Facility to Transmission Provider's Transmission System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.	<b>Interconnection Facilities:</b> "Interconnection Facilities" shall mean the Transmission Owner's Interconnection Facilities and the Project Developer's Interconnection Facilities. Collectively Interconnection Facilities include all facilities and equipment between the Generating Facility and the Point of Interconnection, including any modifications, additions, or upgrades that are necessary to physically and electrically interconnect the Generating Facility to the Transmission System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades, or Network Upgrades.	Tariff, Part VIII, Subpart A, section 400  Definitions I	Independent Entity Variation	PJM's definition of the term "Interconnection Facilities" substantially complies with the definition under the LGIP <i>pro forma</i> . Like the <i>pro forma</i> LGIP definition, PJM's definition provides that all facilities and equipment between the Generating Facility and the Point of Interconnection are Interconnection Facilities. However, PJM's definition also states that certain upgrades are not consider Interconnection Facilities.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
62.	<b>Interconnection Facilities Study</b> shall mean a study conducted by Transmission Provider or a third party consultant for Interconnection Customer to determine a list of facilities (including Transmission Provider's Interconnection Facilities and Network Upgrades as identified in the Cluster Study), the cost of those facilities, and the time required to interconnect the Generating Facility with Transmission Provider's Transmission System. The scope of the study is defined in Section 8 of this LGIP.	<b>System Impact Study:</b>  "System Impact Study" shall mean an assessment(s) by the Transmission Provider of (i) the adequacy of the Transmission System to accommodate a New Service Request, (ii) whether any additional costs may be incurred in order to provide such transmission service or to accommodate a New Service Request, and (iii) an estimated date that the New Service Requests can be interconnected with the Transmission System and an estimate of the cost responsibility for the interconnection of the New Service Request; and (iv) with respect to an Upgrade Request, the estimated cost of the requested system upgrades or expansion, or of the cost of the system upgrades or expansion, necessary to provide the requested incremental rights.	Tariff, Part VIII, Subpart A, section 400  Definitions S	Independent Entity Variation	PJM's definition of "System Impact Study" substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition "Interconnection Facilities Study," PJM's term defines the System Impact Study as a study conducted by the Transmission Provider to accommodate a New Service Request.
63.	<b>Interconnection Facilities Study Agreement</b> shall mean the form of agreement contained in Appendix 3 of this LGIP for conducting the	<b>Application and Studies Agreement:</b>  "Application and Studies Agreement" shall mean the application that must be submitted by	Tariff, Part VIII, Subpart A, section 400  Definitions A	Independent Entity Variation	PJM's definition of "Application and Studies Agreement" substantially complies with the <i>pro forma</i> LGIP definition of "Interconnection Facilities Study Agreement." The Application

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	Interconnection Facilities Study.	a Project Developer or Eligible Customer that seeks to initiate a New Service Request, a form of which is set forth in Tariff, Part VIII, Subpart A. An Application and Studies Agreement must be submitted electronically through PJM's web site in accordance with PJM's Manuals.			and Studies Agreement is the form of Agreement under the PJM Tariff that includes the terms and conditions for undertaking a System Impact Study, which is the equivalent under the PJM Tariff of the <i>pro forma</i> LGIP term Facilities Study.
64.	<b>Interconnection Facilities Study Report</b> shall mean the report issued following completion of an Interconnection Facilities Study pursuant to Section 8 of this LGIP.	<p><b>Phase I System Impact Study:</b></p> <p>“Phase I System Impact Study” shall mean System Impact Study conducted during the Phase I System Impact Study Phase.</p> <p><b>Phase II System Impact Study:</b></p> <p>“Phase II System Impact Study” shall mean System Impact Study conducted during the Phase II System Impact Study Phase.</p> <p><b>Phase III System Impact Study:</b></p> <p>“Phase III System Impact Study” shall mean System Impact Study conducted during Phase III.</p>	Tariff, Part VIII, Subpart A  Definitions P	Independent Entity Variation	<p>These definitions substantially comply with the <i>pro forma</i> LGIP in that they identify each the specific studies.</p> <p>At the conclusion of each Phase, PJM posts the results of Phase I, Phase II, and Phase III System Impact Studies on the PJM website. See Tariff, Part VIII, Subpart C, section 405(A)(1)(a), 407(A)(1)(c), 409(A)(1)(c).</p>



	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
65.	<b>Interconnection Request</b> shall mean an Interconnection Customer's request, in the form of Appendix 1 to this LGIP, in accordance with the Tariff, to interconnect a new Generating Facility, or to increase the capacity of, or make a Material Modification to the operating characteristics of, an existing Generating Facility that is interconnected with Transmission Provider's Transmission System.	<b>Interconnection Request:</b>  "Interconnection Request" shall mean a Generation Interconnection Request, a Transmission Interconnection Request and/or an IDR Transfer Agreement.	Tariff, Part VIII, Subpart A, section 400  Definitions I	Independent Entity Variation	PJM's definition of the term "Interconnection Request" substantially complies with the relevant term under the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition, PJM's definition states that an Interconnection Request is either a new generating facility interconnection request, or to increase the capacity of an existing interconnected generating facility. However, PJM's definition also applies to Merchant Transmission Facilities.
66.	<b>Interconnection Service</b> shall mean the service provided by Transmission Provider associated with interconnecting Interconnection Customer's Generating Facility to Transmission Provider's Transmission System and enabling it to receive electric energy and capacity from the Generating Facility at the Point of Interconnection, pursuant to the terms of	<b>Interconnection Service:</b>  "Interconnection Service" shall mean the physical and electrical interconnection of the Generating Facility with the Transmission System pursuant to the terms of this Tariff, Part VIII and the Generation Interconnection Agreement entered into pursuant thereto by Project Developer, the Transmission Owner and Transmission Provider.	Tariff, Part VIII, Subpart A, section 400  Definitions I	Independent Entity Variation	PJM's definition of the term "Interconnection Service" substantially complies with the relevant term under the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition, PJM's definition refers to the terms and process for interconnecting generating facilities to the transmission system.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	the Standard Large Generator Interconnection Agreement and, if applicable, Transmission Provider's Tariff.				
67.	<p><b>Interconnection Study</b> shall mean any of the following studies: the Cluster Study, the Cluster Restudy, the Surplus Interconnection Service Study, the Interconnection Facilities Study, the Affected System Study, Optional Interconnection Study, and Material Modification assessment, described in this LGIP.</p>	<p><b>Affected System Customer Facilities Study Application and Agreement</b></p> <p>“Affected System Customer Facilities Study Application and Agreement” shall mean the agreement set forth in Tariff, Part IX, Subpart L, Affected System Customer Facilities Study Application and Agreement.</p> <p><b>Phase I System Impact Study:</b></p> <p>“Phase I System Impact Study” shall mean System Impact Study conducted during the Phase I System Impact Study Phase.</p> <p><b>Phase II System Impact Study:</b></p> <p>“Phase II System Impact Study” shall mean System Impact Study conducted during the Phase II System Impact Study Phase.</p> <p><b>Phase III System Impact Study:</b></p>	<p>Tariff, Part VIII, Subpart A, section 400</p> <p>Definitions A, P and S</p>	Independent Entity Variation	These definitions, when taken together, substantially comply with the <i>pro forma</i> LGIP in that they identify each the specific studies, while adding detail that is appropriate for PJM's Commission-approved three-stage study process. PJM does not offer an Optional Interconnection Study.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
		<p>“Phase III System Impact Study” shall mean System Impact Study conducted during Phase III.</p> <p><b>Surplus Interconnection Study Agreement:</b></p> <p>“Surplus Interconnection Study Agreement” shall mean the form of the Surplus Interconnection Study Agreement set forth in Tariff, Part IX, Subpart I.</p>			
68.	<b>IRS</b> shall mean the Internal Revenue Service.	No equivalent provision.	No equivalent provision.	Independent Entity Variation	The term IRS is not used in Tariff, Part VIII. While it is used in certain agreements under Tariff, Part IX, it is separately defined in those agreements, <i>see</i> Tariff, Part IX, Subpart B (form of GIA), Appendix 2, section 24.1 and Subpart D (form of Engineering and Procurement Agreement, section 20.1.1, or its meaning is clear from the context, as the relevant provisions are discussing IRS Safe Harbor or other tax provisions.
69.	<b>Joint Operating Committee</b> shall be a group made up of	No equivalent provision.	No equivalent provision.	Independent Entity Variation	No change required. This is not a defined term under the currently-effective Part VIII

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	representatives from Interconnection Customers and Transmission Provider to coordinate operating and technical considerations of Interconnection Service.				Tariff, and is not a new term or change required by the Final Rules.
70.	<b>Large Generating Facility</b> shall mean a Generating Facility having a Generating Facility Capacity of more than 20 MW.	<b>Generating Facility:</b>  “Generating Facility” shall mean Project Developer’s device for the production and/or storage for later injection of electricity identified in the New Service Request, but shall not include the Project Developer’s Interconnection Facilities. A Generating Facility consists of one or more generating unit(s) and/or storage device(s) which usually can operate independently and be brought online or taken offline individually.	Tariff, Part VIII, Subpart A, section 400  Definitions G	Independent Entity Variation	The PJM Tariff substantially complies with the <i>pro forma</i> LGIP, but does not distinguish between Large and Small Generating Facilities. This is also not a change required by the Final Rule.
71.	<b>LGIA Deposit</b> shall mean the deposit Interconnection Customer submits when returning the executed LGIA, or within ten (10) Business Days of requesting that the LGIA be filed unexecuted at the Commission, in accordance	<b>Security:</b>  “Security” shall mean the financial guaranty provided by the Project Developer, Eligible Customer or Upgrade Customer pursuant to Tariff, Part VIII, Subpart C, sections 406(A)(2) and (3), 408(A)(2)(d), and 410(A)(1) to secure the Project	Tariff, Part VIII, Subpart A, section 400  Definitions S	Independent Entity Variation	The PJM Tariff substantially complies with the <i>pro forma</i> LGIP, as this is the amount that must be provided by a Project Developer prior to entering into a GIA.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	with Section 11.3 of this LGIP.	Developer's, Eligible Customer's or Upgrade Customer responsibility for Costs under an interconnection-related agreement set forth in Tariff, Part IX.			
72.	<b>Loss</b> shall mean any and all losses relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Party's performance, or non-performance of its obligations under the Standard Large Generator Interconnection Agreement on behalf of the Indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the Indemnifying Party.	Each Interconnection Party shall indemnify and hold harmless the other Interconnection Parties, and the other Interconnection Parties' officers, shareholders, stakeholders, members, managers, representatives, directors, agents and employees, and Affiliates, from and against any and all loss, liability, damage, cost or expense to third parties, including damage and liability for bodily injury to or death of persons, or damage to property or persons (including reasonable attorneys' fees and expenses, litigation costs, consultant fees, investigation fees, sums paid in settlements of claims, penalties or fines imposed under Applicable Laws and Regulations, and any such fees and expenses incurred in enforcing this indemnity or collecting any sums due hereunder) (collectively, "Loss") to the extent arising out of, in connection with, or resulting from (i) the indemnifying	Tariff, Part IX, Subpart B (form of GIA) Appendix 2, section 14.1; <i>see also</i> Tariff, Part IX, Subpart C (form of WMPA), Appendix 2, section 5.1; Subpart H (form of NUCRA), Appendix 2, section 5.1; Subpart J (form of CSA), Appendix 3, section 12.1	Independent Entity Variation	While the Part VIII Tariff does not include a definition of loss, the term is illustrated in the indemnity provisions contained in PJM's form of GIA and other agreements. The term loss is also not a new term or change required by the Final Rule.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
		Interconnection Party's breach of any of the representations or warranties made in, or failure of the indemnifying Interconnection Party or any of its subcontractors to perform any of its obligations under, this Generation Interconnection Agreement (including Appendix 2), or (ii) the negligence or willful misconduct of the indemnifying Interconnection Party or its contractors; provided, however, that no Interconnection Party shall have any indemnification obligations under this section 14.1 in respect of any Loss to the extent the Loss results from the negligence or willful misconduct of the Interconnection Party seeking indemnity.			
73.	<b>Material Modification</b> shall mean those modifications that have a material impact on the cost or timing of any Interconnection Request with an equal or later Queue Position.	<b>Material Modification:</b> "Material Modification" shall mean, as determined through a Necessary Study, any modification to a Generation Interconnection Agreement that has a material adverse effect on the cost or timing of Interconnection Studies related to, or any Distribution Upgrades, Network Upgrades, Stand Alone Network Upgrades or Transmission Owner Interconnection Facilities	Tariff, Part VIII, Subpart A, section 400  Definitions M	Independent Entity Variation	PJM's Material Modification term substantially complies with the defined term in the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition, PJM's definition specifies that all modifications that have a material impact on cost or timing of any Interconnection Studies related to, or upgrades needed to accommodate Interconnection Requests, constitute a Material Modification. However, PJM's

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
		needed to accommodate, any Interconnection Request with a later Cycle.			definition further provides that Material Modifications are determined through a Necessary Study and are based on a later Cycle rather than an equal or later Queue Position.
74.	<b>Metering Equipment</b> shall mean all metering equipment installed or to be installed at the Generating Facility pursuant to the Standard Large Generator Interconnection Agreement at the metering points, including but not limited to instrument transformers, MWh-meters, data acquisition equipment, transducers, remote terminal unit, communications equipment, phone lines, and fiber optics.	<b>Metering Equipment:</b>  “Metering Equipment” shall mean all metering equipment installed at the metering points designated in the appropriate appendix to a Generation Interconnection Agreement.	Tariff, Part VIII, Subpart A, section 400  Definitions M	Independent Entity Variation	PJM’s term and definition of “Metering Equipment” substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP, PJM’s definition specifies that Metering Equipment includes metering equipment installed at metering points pursuant to the interconnection agreement. However, PJM’s definition does contain a sample list of Metering Equipment components. The omission of such list does not change the meaning of PJM’s definition.
75.	<b>Multiparty Affected System Facilities Construction Agreement</b> shall mean the agreement contained in Appendix 12 to this LGIP that is made among	<b>Construction Service Agreement:</b>  “Construction Service Agreement” shall mean either an Interconnection Construction Service Agreement, Network Upgrade Cost Responsibility Agreement or	Tariff, Part VIII, Subpart A, section 400 Definitions C, I, and N	Independent Entity Variation	While PJM does not have a form of Multiparty Affected System Facilities Construction Agreement, PJM will use the CSA combined and a NURCA when there are multiple Affected System Customers responsible

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	Transmission Provider and multiple Affected System Interconnection Customers to facilitate the construction of and to set forth cost responsibility for necessary Affected System Network Upgrades on Transmission Provider's Transmission System.	<p>Upgrade Construction Service Agreement.</p> <p><b>Interconnection Construction Service Agreement:</b></p> <p>“Interconnection Construction Service Agreement” shall mean the agreement entered into by an Project Developer, Transmission Owner and the Transmission Provider pursuant to this Tariff, Part VIII in the form set forth in Tariff, Part IX, Subpart J or Tariff, Part IX, Subpart H, relating to construction of Common Use Upgrades, Distribution Upgrades, Network Upgrades, Stand Alone Network Upgrades and/or Transmission Owner Interconnection Facilities and coordination of the construction and interconnection of an associated Generating Facility.</p> <p><b>Network Upgrade Cost Responsibility Agreement:</b></p> <p>“Network Upgrade Cost Responsibility Agreement” shall mean the agreement entered into by the Project Developer and the Transmission Provider pursuant to this GIP, and in the form set forth in</p>	<p>Tariff, Part IX, Subparts H (form of Network Upgrade Cost Responsibility Agreement (“NUCRA”), J (form of CSA)</p>		for a Network Upgrade on the PJM Transmission System. This process will substantially comply with the Final Rule.



	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
		Tariff, Part IX, Subpart H, relating to construction of Common Use Upgrades and coordination of the construction and interconnection of associated Generating Facilities. In regard to Common Use Upgrades, a separate Network Upgrade Cost Responsibility Agreement will be executed for each set of Common Use Upgrades on the system of a specific Transmission Owner that is associated with the interconnection of a Generating Facility.			
76.	<b>Multiparty Affected System Study Agreement</b> shall mean the agreement contained in Appendix 10 to this LGIP that is made among Transmission Provider and multiple Affected System Interconnection Customers to conduct an Affected System Study pursuant to Section 9 of this LGIP.	No equivalent provision.	No equivalent provision.	Independent Entity Variation	As of this point, PJM expects to send each of the Affected System Customers a study agreement for each execution. If the Affected System Customer executes the agreement, it will begin studies in the next Affected Systems cluster study for that region. Having to coordinate a study agreement among multiple Affected System is too burdensome for PJM, and could place the responsibility on PJM to reach out to each of the Affected System Customers to

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
					ensure the agreement was signed.
77.	<p><b>Network Resource</b> shall mean any designated generating resource owned, purchased, or leased by a Network Customer under the Network Integration Transmission Service Tariff. Network Resources do not include any resource, or any portion thereof, that is committed for sale to third parties or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis.</p>	<p><b>Generation Capacity Resource:</b></p> <p>“Generation Capacity Resource” shall have the meaning specified in the Reliability Assurance Agreement.</p> <p><b>Network Resource:</b></p> <p>“Network Resource” shall mean any designated generating resource owned, purchased, or leased by a Network Customer under the Network Integration Transmission Service Tariff. Network Resources do not include any resource, or any portion thereof, that is committed for sale to third parties or otherwise cannot be called upon to meet the Network Customer’s Network Load on a non-interruptible basis, except for purposes of fulfilling obligations under a reserve sharing program.</p>	<p>Tariff, Part I, OATT Definitions G-H</p> <p>Tariff, Part I, OATT Definitions L-M-N</p>	Independent Entity Variation	<p>The definition of Network Resource contained in Tariff, Part I substantially complies with the definition in the <i>pro forma</i> LGIP. The definition of Generation Capacity Resource in Tariff, Part I also substantially complies with the <i>pro forma</i> because it a resource that it is available to provide Capacity when called upon.</p>

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
78.	<b>Network Resource Interconnection Service</b> shall mean an Interconnection Service that allows Interconnection Customer to integrate its Large Generating Facility with Transmission Provider's Transmission System (1) in a manner comparable to that in which Transmission Provider integrates its generating facilities to serve native load customers; or (2) in an RTO or ISO with market based congestion management, in the same manner as Network Resources. Network Resource Interconnection Service in and of itself does not convey transmission service.	Procedures for Establishing Deliverability for Generation Capacity Resources.	PJM Reliability Assurance Agreement, Schedule 10  <i>See Data Request Response at 10</i>	Independent Entity Variation	All PJM Interconnection Service is modeled in a manner consistent with the <i>pro forma</i> definition of Network Resource Interconnection Service.  As indicated in the Data Request Response, PJM will study Affected System Interconnection Requests using Energy Resource Interconnection Service modeling standards.
79.	<b>Network Upgrades</b> shall mean the additions, modifications, and upgrades to Transmission Provider's Transmission System required at or beyond the point at which the Interconnection	<b>Network Upgrades:</b>  "Network Upgrades" shall mean modifications or additions to transmission-related facilities that are integrated with and support the Transmission Provider's overall Transmission System for the	Tariff, Part VIII, Subpart A, section 400  Definitions N	Independent Entity Variation	PJM's definition of "Network Upgrades" substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP, PJM's definition specifies that a Network Upgrade means any modification or addition to transmission-related facilities

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	Facilities connect to Transmission Provider's Transmission System to accommodate the interconnection of the Large Generating Facility to Transmission Provider's Transmission System.	general benefit of all users of such Transmission System. Network Upgrades shall include Stand Alone Network Upgrades which are Network Upgrades that are not part of an Affected System; only serve the Generating Facility or Merchant Transmission Facility; and have no impact or potential impact on the Transmission System until the final tie-in is complete. Both Transmission Provider and Project Developer must agree as to what constitutes Stand Alone Network Upgrades and identify them in the GIA, Schedule L or in the Interconnection Construction Service Agreement, Schedule D. If the Transmission Provider and Project Developer disagree about whether a particular Network Upgrade is a Stand Alone Network Upgrade, the Transmission Provider must provide the Project Developer a written technical explanation outlining why the Transmission Provider does not consider the Network Upgrade to be a Stand Alone Network Upgrade within 15 days of its determination.			integrated or connected with the Transmission Provider's system to accommodate all users. However, PJM's definition specifies that the Network Upgrades definition includes Stand Alone Network Upgrades, which are upgrades not part of an Affected System and only serve the Generating Facility or Merchant Transmission Facility until the final tie-in with the transmission system is complete.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
80.	<b>Notice of Dispute</b> shall mean a written notice of a dispute or claim that arises out of or in connection with the Standard Large Generator Interconnection Agreement or its performance.	<p><b>Submission:</b></p> <p>Any claim or dispute that any Interconnection Party may have against another arising out of the Generation Interconnection Agreement may be submitted for resolution in accordance with the dispute resolution provisions of the Tariff.</p>	<p>Tariff, Part IX, Subpart A, Appendix 2, section 20.1</p> <p>Tariff, section 12</p>	Independent Entity Variation	<p>Project Developers have the right, with respect to any GIA tendered, to request (a) dispute resolution under section 12 of the Tariff or, if concerning the Regional Transmission Expansion Plan, consistent with Schedule 5 of the Operating Agreement, or (b) that PJM file the agreement unexecuted with FERC.</p> <p>The Tariff's dispute resolution procedures already capture the Notice of Dispute requirement.</p>
81.	<b>Optional Interconnection Study</b> shall mean a sensitivity analysis based on assumptions specified by Interconnection Customer in the Optional Interconnection Study Agreement.	No equivalent provision.	See Compliance Filing at 14-17.	Independent Entity Variation	Although not specifically identified in the Tariff, PJM provides its Queue Scope tool to Project Developers to make informed decisions about where to locate, and how to configure, their projects.
82.	<b>Optional Interconnection Study Agreement</b> shall mean the form of agreement contained in Appendix 4 of this LGIP for conducting the Optional Interconnection Study.	See <i>supra</i> line 81.			

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
83.	<b>Party or Parties</b> shall mean Transmission Provider, Transmission Owner, Interconnection Customer or any combination of the above.	<b>Parties:</b>  “Parties” shall mean the Transmission Provider, as administrator of the Tariff, and the Transmission Customer receiving service under the Tariff. PJMSettlement shall be the Counterparty to Transmission Customers.	Tariff, Part VIII, Subpart A, section 400  Definitions P	Compliant	PJM’s definition of “Parties” substantially complies with the <i>pro forma</i> LGIP definition. Like the <i>pro forma</i> LGIP definition, PJM’s definition also lists the Transmission Provider and the Interconnection Customer as a party. However, PJM’s definition states that PJMSettlement will be a “Counterparty to Transmission Customers.”
84.	<b>Permissible Technological Advancement</b> [Transmission Provider inserts definition here].	<b>Permissible Technological Advancement:</b>  "Permissible Technological Advancement" shall mean a proposed technological change such as an advancement to turbines, inverters, plant supervisory controls or other similar advancements to the technology proposed in the Interconnection Request that is submitted to the Transmission Provider no later than the end of Decision Point II. Provided such change may not: (i) increase the capability of the Generating Facility or Merchant Transmission Facility as specified in the original Interconnection Request; (ii) represent a different fuel type from	Tariff, Part VIII, Subpart A, section 400  Definitions P	Compliant	PJM’s existing definition of the term “Permissible Technological Advancement” complies with the <i>pro forma</i> LGIP.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
		the original Interconnection Request; or (iii) cause any material adverse impact(s) on the Transmission System with regard to short circuit capability limits, steady-state thermal and voltage limits, or dynamic system stability and response. If the proposed technological advancement is a Permissible Technological Advancement, no additional study will be necessary and the proposed technological advancement will not be considered a Material Modification.			
85.	<b>Point of Change of Ownership</b> shall mean the point, as set forth in Appendix A to the Standard Large Generator Interconnection Agreement, where Interconnection Customer's Interconnection Facilities connect to Transmission Provider's Interconnection Facilities.	<b>Point of Change in Ownership:</b> "Point of Change in Ownership" shall mean the point, as set forth Schedule B of the Generation Interconnection Agreement, where the Project Developer's Interconnection Facilities connect to the Transmission Owner's Interconnection Facilities.	Tariff, Part VIII, Subpart A, section 400  Definitions P	Independent Entity Variation	PJM's definition of "Point of Change in Ownership" substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition, PJM's definition identifies the point of change of owner as the point where the interconnection customer's interconnection facilities connect to the Transmission Owner's Interconnection Facilities.
86.	<b>Point of Interconnection</b> shall mean the point, as set forth in Appendix A to the Standard Large Generator	<b>Point of Interconnection:</b> "Point of Interconnection" shall mean the point or points where the	Tariff, Part VIII, Subpart A, section 400	Compliant	PJM's definition of "Point of Interconnection" substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	Interconnection Agreement, where the Interconnection Facilities connect to the Transmission Provider's Transmission System.	Interconnection Facilities connect with the Transmission System.	Definitions P		definition, PJM's definition specifies that the point of interconnection is where the Interconnection Facilities connect with the Transmission System.
87.	<b>Proportional Impact Method</b> shall mean a technical analysis conducted by Transmission Provider to determine the degree to which each Generating Facility in the Cluster Study contributes to the need for a specific System Network Upgrade.	Phase I, Phase II, and Phase III System Impact Studies.	Tariff, Part VIII, Subpart C, sections 404(A)(5)-(6)	Independent Entity Variation	The Tariff substantially complies with this requirement, requiring a Project Developer to pay for 100 percent of the Network Upgrades necessary to accommodate its Interconnection Request, as well as 100 percent of the costs of the Interconnection Facilities (including Transmission Owner Interconnection Facilities) necessary to accommodate its Interconnection Request.
88.	<b>Provisional Interconnection Service</b> shall mean Interconnection Service provided by Transmission Provider associated with interconnecting Interconnection Customer's Generating Facility to Transmission Provider's Transmission System and enabling that Transmission	<b>Provisional Interconnection Service:</b>  "Provisional Interconnection Service" shall mean interconnection service provided by Transmission Provider associated with interconnecting the Project Developer's Generating Facility to Transmission Provider's Transmission System and enabling that Transmission System to receive	Tariff, Part VIII, Subpart A, section 400  Definitions P	Independent Entity Variation	PJM's definition of "Provisional Interconnection Service" substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition, PJM's definition states that Provisional Interconnection Service is the service provided by the Transmission Provider associated with interconnecting the customer's Generating Facility to the Transmission



	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	System to receive electric energy and capacity from the Generating Facility at the Point of Interconnection, pursuant to the terms of the Provisional Large Generator Interconnection Agreement and, if applicable, the Tariff.	electric energy and capacity from the Generating Facility at the Point of Interconnection pursuant to the terms of the Interconnection Service Agreement and, if applicable, the Tariff.			System to receive electric energy and capacity from the Generating Facility at the Point of Interconnection, under the terms of the relevant agreement.
89.	<b>Provisional Large Generator Interconnection Agreement</b> shall mean the interconnection agreement for Provisional Interconnection Service established between Transmission Provider and/or Transmission Owner and Interconnection Customer. This agreement shall take the form of the Standard Large Generator Interconnection Agreement, modified for provisional purposes.	No equivalent provision.	Tariff, Part IX, Subpart B, Appendix 2, section 1.4A.2	Independent Entity Variation	Additional studies that may be necessary to confirm the facilities required for Provisional Interconnection Service are included in the scope of conditions precedent to Interconnection Service set forth in PJM's <i>pro forma</i> GIA.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
90.	<b>Queue Position</b> shall mean the order of a valid Interconnection Request, relative to all other pending valid Interconnection Requests, established pursuant to Section 4.1 of this LGIP.	<b>Request Number:</b>  “Request Number” shall mean, when an Application from an Upgrade Customer results in a valid Upgrade Request, in accordance with Tariff, Part VII, section 306 [or Part VIII, Subpart H, section 435], the assigned Request Number to such request as confirmed by Transmission Owner. The Request Number will indicate the serial position and priority.	Tariff, Part VIII, Subpart A, section 400  Definitions R	Compliant	“Request Number” is a functionally equivalent definition.
91.	<b>Reasonable Efforts</b> shall mean, with respect to an action required to be attempted or taken by a Party under the Standard Large Generator Interconnection Agreement, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.	<b>Reasonable Efforts:</b>  “Reasonable Efforts” shall mean, with respect to any action required to be made, attempted, or taken by an Interconnection Party under the Tariff, Part VIII, a Generation Interconnection Agreement, or a Construction Service Agreement, such efforts as are timely and consistent with Good Utility Practice and with efforts that such party would undertake for the protection of its own interests.	Tariff, Part VIII, Subpart A, section 400  Definitions R	Compliant	PJM’s definition of “Reasonable Efforts” complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition, PJM’s term defines “Reasonable Efforts” as an attempt, or actions taken by an Interconnection Party under the relevant agreement or Tariff section. A party’s efforts should be timely and consistent with Good Utility Practice for the protection of its own interests.
92.	<b>Scoping Meeting</b> shall mean the meeting between representatives of Interconnection	<b>Scoping Meetings:</b>  1. During the Application Review Phase, Transmission Provider may	Tariff, Part VIII, Subpart B, section 403(C)	Independent Entity Variation	While the PJM Tariff does not contain a specific definition of Scoping Meeting, the scoping meetings provisions of Tariff,

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	Customer(s) and Transmission Provider conducted for the purpose of discussing the proposed Interconnection Request and any alternative interconnection options, exchanging information including any transmission data and earlier study evaluations that would be reasonably expected to impact such interconnection options, refining information and models provided by Interconnection Customer(s), discussing the Cluster Study materials posted to OASIS pursuant to Section 3.5 of this LGIP, and analyzing such information.	hold a single, or several, scoping meetings for projects in each Transmission Owner zone, which are optional and may be waived by Applicants or Transmission Owner.  2. Scoping meetings may include discussion of potential Affected System needs, whereby Transmission Provider may coordinate with Affected System Operators the conduct of required studies.	Application Rules		Part VIII, Subpart B, section 403(C) allows for meetings between PJM, the Transmission Owner, and Project Developers during the Application Review Phase.
93.	<b>Site Control</b> shall mean the exclusive land right to develop, construct, operate, and maintain the Generating Facility over the term of expected operation of the Generating Facility. Site Control may be	<b>Site Control:</b>  “Site Control” shall mean the evidentiary documentation provided by Project Developer in relation to a New Service Request demonstrating the requirements as set forth in the following Tariff, Part VIII, Subpart A, section 402, and Tariff, Part	Tariff, Part VIII, Subpart A, section 400  Definitions S	Independent Entity Variation	PJM’s definition of “Site Control” substantially complies with the <i>pro forma</i> LGIP. PJM’s definition incorporates by reference the relevant Tariff sections that provide the requirements for establishing Site Control. Consistent with the <i>pro forma</i> LGIP, PJM’s Tariff

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	<p>demonstrated by documentation establishing:</p> <p>(1) ownership of, a leasehold interest in, or a right to develop a site of sufficient size to construct and operate the Generating Facility; (2) an option to purchase or acquire a leasehold site of sufficient size to construct and operate the Generating Facility; or (3) any other documentation that clearly demonstrates the right of Interconnection Customer to exclusively occupy a site of sufficient size to construct and operate the Generating Facility. Transmission Provider will maintain acreage requirements for each Generating Facility type on its OASIS or public website.</p>	VIII, Subpart B, section 403, and Subpart C, sections 406 and 410.			<p>specifies that “[p]roof of Site Control can be in the form of one of the following: (1) deed); (2) lease; (3) option to lease or purchase; or (4) as deemed by acceptable by the Transmission Provider.” <i>See</i> Tariff, Part VIII, Subpart A, section 402(A)(2).</p>

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
94.	<b>Small Generating Facility</b> shall mean a Generating Facility that has a Generating Facility Capacity of no more than 20 MW.	<b>Small Generation Resource:</b> “Small Generation Resource” shall mean an Interconnection Customer’s device of 20 MW or less for the production and/or storage for later injection of electricity identified in an Interconnection Request, but shall not include the Interconnection Customer’s Interconnection Facilities. This term shall include Energy Storage Resources and/or other devices for storage for later injection of energy.	Tariff, Definitions – R-S	Independent Entity Variation	PJM’s definition of “Small Generation Resource” substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition, PJM’s term defines a small generation resource as a device of 20 MW or less designed to produce or store electricity.
95.	<b>Stand Alone Network Upgrades</b> shall mean Network Upgrades that are not part of an Affected System that Interconnection Customer may construct without affecting day-to-day operations of the Transmission System during their construction. Both Transmission Provider and Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and	<b>Stand Alone Network Upgrades:</b> “Stand Alone Network Upgrades” shall mean Network Upgrades, which are not part of an Affected System, which a Project Developer may construct without affecting day-to-day operations of the Transmission System during their construction. Transmission Provider, Transmission Owner and Project Developer must agree as to what constitutes Stand Alone Network Upgrades and identify them in Specifications section 3.0 of Appendix L of the GIA. If the Transmission Provider or	Tariff, Part VIII, Subpart A, section 400  Definitions S	Independent Entity Variation	PJM’s definition of “Stand Alone Network Upgrades” substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition, PJM’s definition describes such upgrades as those not part of an Affected System which the Project Developer can construct without affecting day-to-day operations of the Transmission System. Further, PJM’s definition provides the process for resolving disagreements among the parties as to what

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	identify them in Appendix A to the Standard Large Generator Interconnection Agreement. If Transmission Provider and Interconnection Customer disagree about whether a particular Network Upgrade is a Stand Alone Network Upgrade, Transmission Provider must provide Interconnection Customer a written technical explanation outlining why Transmission Provider does not consider the Network Upgrade to be a Stand Alone Network Upgrade within fifteen (15) Business Days of its determination.	Transmission Owner and Project Developer disagree about whether a particular Network Upgrade is a Stand Alone Network Upgrade, the Transmission Provider or Transmission Owner that disagrees with the Project Developer must provide the Project Developer a written technical explanation outlining why the Transmission Provider or Transmission Owner does not consider the Network Upgrade to be a Stand Alone Network Upgrade within 15 days of its determination.			constitutes a Stand Alone Network Upgrade.
96.	<b>Standard Large Generator Interconnection Agreement (LGIA)</b> shall mean the form of interconnection agreement applicable to an Interconnection Request pertaining to a Large Generating Facility that is	<b>Generation Interconnection Agreement (“GIA”):</b>  “Generation Interconnection Agreement” (“GIA”) shall mean the form of interconnection agreement applicable to a Generation Interconnection Request or Transmission Interconnection	Tariff, Part VIII, Subpart A, section 400  Definitions G	Independent Entity Variation	PJM’s definition of “GIA” substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition, PJM’s term specifies that the GIA is the form of interconnection agreement applicable to interconnection requests.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	included in Transmission Provider's Tariff.	Request. A form of the GIA is set forth in Tariff, Part IX, Subpart B.			
97.	<b>Standard Large Generator Interconnection Procedures (LGIP)</b> shall mean the interconnection procedures applicable to an Interconnection Request pertaining to a Large Generating Facility that are included in Transmission Provider's Tariff.	<b>Generation Interconnection Procedures ("GIP"):</b>  "Generation Interconnection Procedures" ("GIP") shall mean the interconnection procedures set forth in Tariff, Part VIII.	Tariff, Part VIII, Subpart A, section 400  Definitions G	Compliant	PJM's definition of "GIP" substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition, PJM's term defines GIP as the procedures that apply to generating facilities interconnecting to the Transmission Provider's Transmission System.
98.	<b>Substation Network Upgrades</b> shall mean Network Upgrades that are required at the substation located at the Point of Interconnection.	No equivalent provision, but see <i>supra</i> item #79, Network Upgrades.			
99.	<b>Surplus Interconnection Service</b> shall mean any unneeded portion of Interconnection Service established in a Standard Large Generator Interconnection Agreement, such that if Surplus Interconnection Service is utilized, the total	<b>Surplus Interconnection Service:</b>  "Surplus Interconnection Service" shall mean any unneeded portion of Interconnection Service established in a Generation Interconnection Agreement, such that if Surplus Interconnection Service is utilized, the total amount of Interconnection Service at the Point of	Tariff, Part VIII, Subpart A, section 400  Definitions S	Compliant	PJM's definition of "Surplus Interconnection Service" complies with the <i>pro forma</i> LGIP. PJM's definition of this term is nearly identical to the definition in the <i>pro forma</i> LGIP.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	amount of Interconnection Service at the Point of Interconnection would remain the same.	Interconnection would remain the same.			
100.	<b>System Network Upgrades</b> shall mean Network Upgrades that are required beyond the substation located at the Point of Interconnection.	No equivalent provision, but see item #79, Network Upgrades.			
101.	<b>System Protection Facilities</b> shall mean the equipment, including necessary protection signal communications equipment, required to protect (1) Transmission Provider's Transmission System from faults or other electrical disturbances occurring at the Generating Facility and (2) the Generating Facility from faults or other electrical system disturbances occurring on Transmission Provider's Transmission System or on other delivery systems or other generating systems to which	<b>System Protection Facilities:</b> "System Protection Facilities" shall refer to the equipment required to protect (i) the Transmission System, other delivery systems and/or other generating systems connected to the Transmission System from faults or other electrical disturbance occurring at or on the Generating Facility, and (ii) the Generating Facility from faults or other electrical system disturbance occurring on the Transmission System or on other delivery systems and/or other generating systems to which the Transmission System is directly or indirectly connected. System Protection Facilities shall include such protective and regulating devices as are identified	Tariff, Part VIII, Subpart A, section 400  Definitions S	Independent Entity Variation	PJM's definition of "System Protection Facilities" substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition, PJM's definition defines System Protection Facilities as the same equipment required to protect the Transmission Provider's Transmission System (or other interconnected systems) from faults or electrical disturbances.



	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	Transmission Provider's Transmission System is directly connected.	in the Applicable Technical Requirements and Standards or that are required by Applicable Laws and Regulations or other Applicable Standards, or as are otherwise necessary to protect personnel and equipment and to minimize deleterious effects to the Transmission System arising from the Generating Facility.			
102.	<b>Tariff</b> shall mean Transmission Provider's Tariff through which open access transmission service and Interconnection Service are offered, as filed with FERC, and as amended or supplemented from time to time, or any successor tariff.	<b>PJM Tariff, Tariff, O.A.T.T., OATT or PJM Open Access Transmission Tariff:</b>  "PJM Tariff," "Tariff," "O.A.T.T.," "OATT," or "PJM Open Access Transmission Tariff" shall mean that certain PJM Open Access Transmission Tariff, including any schedules, appendices or exhibits attached thereto, on file with FERC and as amended from time to time thereafter.	Tariff, Part VIII, Subpart A, section 400  Definitions P	Compliant	PJM's definition of "PJM Tariff, Tariff, O.A.T.T., OATT or PJM Open Access Transmission Tariff" substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition, PJM's term defines Tariff as a Tariff that includes any schedules, appendices or exhibits attached to a tariff on file with FERC, as amended from time to time. However, PJM's term provides a list of terms that it uses to refer to the PJM Tariff.
103.	<b>Transitional Cluster Study</b> shall mean an Interconnection Study evaluating a Cluster of Interconnection Requests during the transition to the Cluster Study Process, as	No equivalent provision.			PJM's Transition Period Rules under Tariff, Part VII, include only a cluster/Cycle study process so there are no terms distinguishing transitional cluster

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	set forth in Section 5.1.1.2 of this LGIP.				concepts from transitional serial concepts.
104.	<b>Transitional Cluster Study Agreement</b> shall mean the agreement contained in Appendix 7 to this LGIP that is made between Transmission Provider and Interconnection Customer to conduct a Transitional Cluster Study pursuant to Section 5.1.1.2 of this LGIP.	No equivalent provision.			PJM's Transition Period Rules under Tariff, Part VII, include only a cluster/Cycle study process so there are no terms distinguishing transitional cluster concepts from transitional serial concepts.
105.	<b>Transitional Cluster Study Report</b> shall mean the report issued following completion of a Transitional Cluster Study pursuant to Section 5.1.1.2 of this LGIP.	No equivalent provision.			PJM's Transition Period Rules under Tariff, Part VII, include only a cluster/Cycle study process so there are no terms distinguishing transitional cluster concepts from transitional serial concepts.
106.	<b>Transitional Serial Interconnection Facilities Study</b> shall mean an Interconnection Facilities Study evaluating an Interconnection Request on a serial basis during the transition to the Cluster Study Process, as	No equivalent provision.			PJM's Transition Period Rules under Tariff, Part VII, include only a cluster/Cycle study process so there are no terms distinguishing transitional cluster concepts from transitional serial concepts.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	set forth in Section 5.1.1.1 of this LGIP.				
107.	<b>Transitional Serial Interconnection Facilities Study Agreement</b> shall mean the agreement contained in Appendix 8 to this LGIP that is made between Transmission Provider and Interconnection Customer to conduct a Transitional Serial Interconnection Facilities Study pursuant to Section 5.1.1.1 of this LGIP.	No equivalent provision.			PJM's Transition Period Rules under Tariff, Part VII, include only a cluster/Cycle study process so there are no terms distinguishing transitional cluster concepts from transitional serial concepts.
108.	<b>Transitional Serial Interconnection Facilities Study Report</b> shall mean the report issued following completion of a Transitional Serial Interconnection Facilities Study pursuant to Section 5.1.1.1 of this LGIP.	No equivalent provision.			PJM's Transition Period Rules under Tariff, Part VII, include only a cluster/Cycle study process so there are no terms distinguishing transitional cluster concepts from transitional serial concepts.
109.	<b>Transitional Withdrawal Penalty</b> shall mean the penalty assessed by	No equivalent provision.			PJM's Transition Period rules under Tariff, Part VII, do not include withdrawal penalties

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	Transmission Provider to Interconnection Customer that has entered the Transitional Cluster Study or Transitional Serial Interconnection Facilities Study and chooses to withdraw or is deemed withdrawn from Transmission Provider's interconnection queue or whose Generating Facility does not otherwise reach Commercial Operation. The calculation of the Transitional Withdrawal Penalty is set forth in Sections 5.1.1.1 and 5.1.1.2 of this LGIP.				
110.	<b>Transmission Owner</b> shall mean an entity that owns, leases or otherwise possesses an interest in the portion of the Transmission System at the Point of	<b>Transmission Owner:</b>  "Transmission Owner" shall mean a Member that owns or leases with rights equivalent to ownership Transmission Facilities and is a	Tariff, Part VIII, Subpart A, section 400  Definitions T	Compliant	PJM's definition of "Transmission Owner" substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition, PJM's term defines Transmission

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	Interconnection and may be a Party to the Standard Large Generator Interconnection Agreement to the extent necessary.	signatory to the PJM Transmission Owners Agreement. Taking transmission service shall not be sufficient to qualify a Member as a Transmission Owner.			Owner as an entity that owns, leases, or possesses an interest in a portion of the Transmission System and may be a party to the GIA.
111.	<b>Transmission Provider</b> shall mean the public utility (or its designated agent) that owns, controls, or operates transmission or distribution facilities used for the transmission of electricity in interstate commerce and provides transmission service under the Tariff. The term Transmission Provider should be read to include the Transmission Owner when the Transmission Owner is separate from Transmission Provider.	<p><b>Transmission Provider:</b></p> <p>The “Transmission Provider” shall be the Office of the Interconnection for all purposes, provided that the Transmission Owners will have the responsibility for the following specified activities:</p> <p>(a) The Office of the Interconnection shall direct the operation and coordinate the maintenance of the Transmission System, except that the Transmission Owners will continue to direct the operation and maintenance of those transmission facilities that are not listed in the PJM Designated Facilities List contained in the PJM Manual on Transmission Operations;</p> <p>(b) Each Transmission Owner shall physically operate and maintain all of the facilities that it owns; and</p>	<p>Tariff, Part VIII, Subpart A, section 400</p> <p>Definitions T</p>	Independent Entity Variation	PJM’s definition of “Transmission Provider” substantially complies with the <i>pro forma</i> LGIP. Consistent with the <i>pro forma</i> LGIP definition, PJM is the public utility that controls the transmission facilities in the PJM Region for the transmission of electricity. However, PJM’s definition specifies that certain functions are carried out by PJM and the Transmission Owners.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
		(c) When studies conducted by the Office of the Interconnection indicate that enhancements or modifications to the Transmission System are necessary, the Transmission Owners shall have the responsibility, in accordance with the applicable terms of the Tariff, Operating Agreement and/or the Consolidated Transmission Owners Agreement to construct, own, and finance the needed facilities or enhancements or modifications to facilities.			
112.	<b>Transmission Provider's Interconnection Facilities</b> shall mean all facilities and equipment owned, controlled, or operated by Transmission Provider from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the Standard Large Generator Interconnection Agreement, including any modifications, additions or upgrades to such facilities and equipment. Transmission Provider's	<b>Transmission Facilities:</b> "Transmission Facilities" shall have the meaning set forth in the Operating Agreement.	Tariff, Part VIII, Subpart A, section 400  Definitions T	Independent Entity Variation	PJM's definition of "Transmission Facilities" substantially complies with the <i>pro forma</i> LGIP. Consistent with the <i>pro forma</i> LGIP definition, PJM's term defines Transmission Facilities as those facilities that have been "integrated with the PJM Region transmission system and integrated into the planning and operation of the PJM Region to serve all of the power and transmission customers within the PJM Region." <i>See</i> Operating Agreement, Definitions S – T.

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.				
113.	<b>Transmission System</b> shall mean the facilities owned, controlled or operated by Transmission Provider or Transmission Owner that are used to provide transmission service under the Tariff.	<b>Transmission System:</b> “Transmission System” shall mean the facilities controlled or operated by the Transmission Provider within the PJM Region that are used to provide transmission service under Tariff, Part II and Part III.	PJM Tariff, Part VIII, Subpart A, section 400  Definitions T	Compliant	PJM’s definition of “Transmission System” substantially complies with the <i>pro forma</i> LGIP. Like the <i>pro forma</i> LGIP definition, PJM’s definition refers to facilities controlled by the Transmission Provider user to provide transmission service as the “Transmission System.”
114.	<b>Trial Operation</b> shall mean the period during which Interconnection Customer is engaged in on-site test operations and commissioning of the Generating Facility prior to Commercial Operation.	No equivalent provision.			
115.	<b>Withdrawal Penalty</b> shall mean the penalty assessed by Transmission Provider to an Interconnection Customer that chooses to	<b>Readiness Deposit:</b>  Readiness Deposit shall mean the deposit or deposits required by	Tariff, Part VIII, Subpart A, section 400, Definitions R;	Independent Entity Variation	Rather than the term “Withdrawal Penalty,” the Tariff uses the term “Readiness Deposit,” which is subject to forfeiture to offset the cost of

	LGIP and LGIA <i>Pro Forma</i> Definitions	Relevant PJM Tariff Provisions	Relevant PJM Tariff Provision Citation	Proposed Deviation Standard	Justification
	withdraw or is deemed withdrawn from Transmission Provider's interconnection queue or whose Generating Facility does not otherwise reach Commercial Operation. The calculation of the Withdrawal Penalty is set forth in Section 3.7.1 of this LGIP.	Tariff, Part VIII, Subpart A, section 401(D).	section 401(D)(2)(c)  Tariff, Part VIII, Subpart C, sections 408(B)(3)(b)(i) and 410(B)(5)(d)		underfunded Network Upgrades if a project is terminated or withdrawn.



## **Attachment A**

### **Part II: Requested Independent Entity Variations from *Pro Forma* LGIP and LGIA**

## PART II – REQUESTED INDEPENDENT ENTITY VARIATIONS FROM *PRO FORMA* LGIP AND LGIA

In response to Question 1, the chart provided below compares the *pro forma* LGIP and LGIA to Tariff, Part VIII, sections 401-411, 414, 429, 431, and 432; and Tariff Part IX, and provides justification for PJM’s requested independent entity variation.

	LGIP and LGIA <i>Pro Forma</i> Requirement	LGIP and LGIA <i>Pro Forma</i> Citation	Relevant PJM Tariff Provision Citation	Justification
1.	Interconnection Information Access	LGIP, section 6.1.	Although not specifically identified in the Tariff, PJM provides its Queue Scope tool to Project Developers.	<p>In conjunction with the planning models PJM makes publicly available and the study reports available on the PJM website, Queue Scope permits Project Developers to identify favorable locations to interconnect, run their own studies using the models, and estimate costs of the facilities required to enable the potential interconnection. This degree of functionality substantially complies with Final Rule’s requirement for transmission providers to provide a “heatmap.”</p> <p>Queue Scope provides users with two interfaces, tabular and geospatial, and allows Project Developers to screen potential points of interconnection and assess grid impacts based on a given amount of megawatt (“MW”) injection or withdrawal at a given Point of Interconnection.</p> <p>Queue Scope’s dataset results are created using a high-level DC flowgate Generator Deliverability Analysis across the PJM Region.</p>

	LGIP and LGIA <i>Pro Forma</i> Requirement	LGIP and LGIA <i>Pro Forma</i> Citation	Relevant PJM Tariff Provision Citation	Justification
				<ul style="list-style-type: none"> <li>Includes a selection of over 6,000 to 7,000 Point of Interconnection buses at 100 kilovolts and above on the PJM Transmission System.</li> <li>Provides users with feedback on worst-case flowgate loading on the PJM Transmission System in the vicinity of those points of interconnection.</li> <li>Users can select different case types (“RTEP vs. Queue/Cycle”) and different case years to compare results.</li> <li>Provides the available MW on the Transmission System for the facility based on the applicable facility rating and loading and will provide planning case information intended to be indicative of expected operating conditions under certain conditions.</li> </ul> <p>PJM makes publicly available its planning models and study reports on the PJM website.</p> <p>PJM will update the Cycle study datasets reflected in Queue Scope on a routine basis as Phases I and II of each Cycle are</p>

	LGIP and LGIA <i>Pro Forma</i> Requirement	LGIP and LGIA <i>Pro Forma</i> Citation	Relevant PJM Tariff Provision Citation	Justification
				<p>completed, and will replace previous results with updated case results.</p> <p>PJM began developing its Queue Scope tool before the Commission issued the Final Rule and has already implemented the tool, thus offering advantages over the Final Rule's requirements.</p>
2.	Definitive Points of Interconnection	LGIP, section 3.1.2.	<p>Tariff, Part VIII, Subpart C, sections 406(B) and 408(B)(4)</p> <p>Tariff, Part VIII, Subpart B, sections 403(A) and 403(A)(1)(b)</p> <p>Tariff, Part IX, Subpart A (Form of Application and Studies Agreement), section 9</p>	<p>PJM's Tariff substantially complies with the requirement that an interconnection customer select a definitive Point of Interconnection to be studied when executing a cluster study agreement with variances that are appropriate for the PJM Region and PJM's Cycle study process.</p> <p>The Tariff requires designation of the Point of Interconnection by the Project Developer at the same time as required by Final Rule.</p> <p>The Tariff permits flexibility for Project Developers to make limited revisions to its Point of Interconnection at Decision Point I, consistent with the goals of the Final Rule.</p>

	LGIP and LGIA <i>Pro Forma</i> Requirement	LGIP and LGIA <i>Pro Forma</i> Citation	Relevant PJM Tariff Provision Citation	Justification
3.	Cluster Request Window and Customer Engagement Window	LGIP, sections 3.4.1, 3.4.4, and 3.4.5.	Tariff, Part VIII, Subpart B, sections 403(A)-(B)	<p>The Tariff has a rolling application period for Interconnection Requests.</p> <p>The time periods in PJM's process resulted from the Tariff stakeholder process and was overwhelmingly approved by stakeholders and was part of the package of reforms accepted by the Commission.</p> <p>PJM announces the deadline for a Cycle 180 days prior to closing the application period, which provides Project Developers with sufficient time to develop and check the accuracy of their applications. The approach is consistent with and even superior to the Final Rule, as it allows greater time for the submission of an Interconnection Request.</p> <p>During the subsequent 90-day period, PJM reviews submissions and identifies deficiencies in Interconnection Requests to allow Project Developers to address any deficiencies.</p> <p>The Tariff establishes a gate between Cycles such that the application deadline for a new Cycle is not announced until the start of Phase II of the previous Cycle. This gating mechanism provides greater</p>

	LGIP and LGIA <i>Pro Forma</i> Requirement	LGIP and LGIA <i>Pro Forma</i> Citation	Relevant PJM Tariff Provision Citation	Justification
				<p>cost certainty than use of annual cluster window, and better meets the Final Rule's goals of providing an efficient, transparent and non-discriminatory interconnection process.</p> <p>The Tariff substantially complies with and even exceeds the requirements to allow Project Developers 10 Business Days to correct identified deficiencies in their Interconnection Requests.</p> <p>PJM will used Reasonable Efforts to inform a Project Developer of any deficiencies in its Interconnection Request within 15 Business Days after the Application Deadline, with Project Developer then having 10 Business Days to respond and correct deficiencies.</p> <p>PJM will then use Reasonable Efforts to review responses within 15 Business Days, and then will either validate or reject the application.</p> <p>PJM seeks an independent entity variation to retain its deficiency review period-as noted above, the 180-day notice period provides Project Developers with ample time to develop and submit a valid Interconnection</p>

	LGIP and LGIA <i>Pro Forma</i> Requirement	LGIP and LGIA <i>Pro Forma</i> Citation	Relevant PJM Tariff Provision Citation	Justification
				Request, and an extended deficiency review period is not necessary.
4.	Scoping Meetings	LGIP, section 3.4.6.	<p>Tariff, Part VIII, Subpart B, section 403(C)</p> <p>Tariff, Part VIII, Subpart E, section 425</p> <p>Tariff, Part IX, Subpart A (Form of Application and Studies Agreement), section 6</p>	<p>The Tariff provides that PJM may hold scoping meetings for projects in each Transmission Owner zone, which can be waived by Applicants or Transmission Owners.</p> <p>This approach generally complies with, and improves, the Final Rule’s requirements, at least in PJM. Holding meetings on a Regional Transmission Organization (“RTO”)-wide basis would be unwieldy, whereas the PJM approach allows scoping meetings to be held and Project Developers to direct questions to PJM and the relevant Transmission Owners efficiently. Further, it is appropriate to permit meetings to be waived where all information needed for the initial study has been obtained through the initial application or email communications.</p> <p>The Tariff contains comprehensive confidentiality provisions that cover information related to Interconnection Requests equivalent to the protections that would be provided by the non-disclosure agreements required by the Final Rule. Given the number of Project</p>

	LGIP and LGIA <i>Pro Forma</i> Requirement	LGIP and LGIA <i>Pro Forma</i> Citation	Relevant PJM Tariff Provision Citation	Justification
				Developers that are expected to submit requests in a given Cycle, it would be burdensome for PJM to have to process hundreds of superfluous non-disclosure agreements for the sole purpose of scoping meetings.
5.	Posting of Metrics for Cluster Study Processing Time and Restudy Processing Time	LGIP, sections 3.5.2.1 and 3.5.2.2.	Tariff, Part VIII, Subpart E, section 431	Tariff, Part VIII, Subpart E, section 431 substantially complies with the requirements to post metrics for cluster study and cluster restudy processing times, but uses different timeframes and terminology than set forth in the Final Rule.
6.	Interconnection Request Evaluation Process	LGIP, sections 4.1, 4.2, 4.4.1, and 4.4.	<p>Tariff, Part VIII, Subpart A, section 401(A)</p> <p>Tariff, Part VIII, Subpart E, section 412(A)</p> <p>Tariff, Part VIII, Subpart A, section 401(A)</p> <p>Tariff, Part VIII, Subpart C, section 408(B)(4)</p>	<p>Consistent with the Final Rule, Project Developers within a given Cycle have the same priority, and Project Developers in an earlier-in-time Cycle have a higher priority than Project Developers in a later-in-time Cycle.</p> <p>The Tariff generally complies with the requirement that transmission providers adopt language providing that moving a Point of Interconnection will result in a loss of queue position if it is deemed a Material Modification by the transmission provider. While it allows limited changes to the Point of Interconnection at Phase I, consistent</p>



	LGIP and LGIA <i>Pro Forma</i> Requirement	LGIP and LGIA <i>Pro Forma</i> Citation	Relevant PJM Tariff Provision Citation	Justification
				with the Final Rule, the Tariff provides Project Developers with clear guidance as to what types of Point of Interconnection changes are permissible as opposed to what types require a new Interconnection Request and when such changes may be made. These provisions promote a more efficient use of limited engineering resources and provide a timelier study process, consistent with the Final Rule’s objectives.
7.	Fewer than Three Year Extension to Commercial Operation Date	LGIP, section 4.4.5.	Tariff, Part VIII, Subpart E, section 429(B)(3)  Tariff, Part IX, Subpart B GIA, section 6.4	<p>Under the Tariff, upon executing a GIA, Project Developers have a unilateral right to extend milestone dates by one year for any reason, and still may extend milestone dates in the event of delays it did not cause or could not have remedied through the exercise of due diligence.</p> <p>The Commission authorized the elimination of suspension under the independent entity variation standard and recognized the “specific conditions” PJM faced in permitting Project Developers to extend their deadlines for up to three years, potentially causing delay and uncertainty for lower-queued generators. <i>PJM Interconnection, L.L.C.</i>, 181 FERC ¶ 61,162, at P 113 (2022), <i>order on reh’g</i>, 184 FERC ¶ 61,006 (2023), <i>appeal pending</i>, Petition for Review, <i>Hecate</i></p>

	LGIP and LGIA <i>Pro Forma</i> Requirement	LGIP and LGIA <i>Pro Forma</i> Citation	Relevant PJM Tariff Provision Citation	Justification
				<p><i>Energy LLC v. FERC</i>, No. 23-1089 (D.C. Cir. Mar. 31, 2023).</p> <p>The Commission should again grant PJM an independent entity variation and permit PJM to maintain the Tariff's unilateral one-year extension of milestones and elimination of three-year suspension period.</p>
8.	Cluster Study Provisions	LGIP, sections 7.1-7.6.	Tariff, Part VIII	<p>PJM's Commission-approved three-stage System Impact Study process under which Phase I is to be completed within 120 days of the start of Phase I, the Phase II System Impact Study is to be completed within 180 days of the start of Phase II, and Phase III System Impact Study is to be completed within 180 days of the start of Phase III.</p> <p>Although PJM's three-part study phase structure differs from the Final Rule's 150-day schedule, it is a sequenced study process that is generally consistent with the Final Rule. Further, PJM's study phase structure facilitates the efficient use of PJM's resources and better allows Project Developers to assess the viability of their projects at set stages, and make go or no go decisions at those times.</p>

	LGIP and LGIA <i>Pro Forma</i> Requirement	LGIP and LGIA <i>Pro Forma</i> Citation	Relevant PJM Tariff Provision Citation	Justification
				PJM’s sequencing of study types as projects move through the phases allows for the efficient use of scarce engineering resources to screen large numbers of projects and advance the projects most likely to succeed. The Tariff’s study and phase timeframes reflect the expected time to complete each phase based on PJM’s experience and the particular circumstances it faces
9.	Restudies Triggered by Higher- or Equally Queued Generating Facility	LGIP, section 8.5.	Tariff, Part VIII, Subpart C, sections 405(A)(1)(a), 407(A)(1)(a), and 409(A)(1)(a)	<p>The Tariff substantially complies with the Final Rule’s directive that transmission providers revise their tariff to state that restudies can be triggered by higher or equally queued projects withdrawing from the queue or a permissible modification to a higher or equally queued project.</p> <p>PJM’s three-phase study process, coupled with three Decision Points, accounts for withdrawals and allows certain permissible modifications to occur on a structured basis.</p>
10.	Timing of LGIA Tender, Execution, and Filing	LGIP, sections 11.1, 11.3.	Tariff, Part VIII, Subpart C, sections 410(A) and 411	The Tariff generally complies with the Final Rule’s requirements for transmission providers to allow an interconnection customer to invoke a 60-day negotiation period for the execution of a Large Generator Interconnection Agreement (“LGIA”), demonstrated Site Control, and provide Security.

	LGIP and LGIA <i>Pro Forma</i> Requirement	LGIP and LGIA <i>Pro Forma</i> Citation	Relevant PJM Tariff Provision Citation	Justification
				<p>The Tariff's 60-day Final Agreement Negotiation Phase runs concurrently with Decision Point III.</p> <p>The Tariff permits Project Developers to direct that GIAs be filed on an unexecuted basis if the parties reach an impasse in negotiations.</p> <p>Similar to the Final Rule's provisions, the Tariff requires Project Developers to meet milestones, such as fuel supply contracts, within 60 days of PJM providing the Phase III System Impact Study.</p>
11.	Allocation of Cluster Study Costs	LGIP, section 13.3.	See Compliance Filing at 38; PJM Tariff, Section 206.4	<p>PJM currently allocates study costs solely on a per capita basis, which is appropriate for large RTOs and should be permitted as an independent entity variation.</p> <p>Significant initialization efforts and steps are required to study any project, which makes a per capita allocation just and reasonable. Per capita cost allocation does not lead to unfair, unreasonable or unduly discriminatory cost allocations, and as the Commission has recognized,</p>

	LGIP and LGIA <i>Pro Forma</i> Requirement	LGIP and LGIA <i>Pro Forma</i> Citation	Relevant PJM Tariff Provision Citation	Justification
				there is not necessarily a linear relationship between the size of a project and the time and costs associated with studying a project. Moreover, allocating costs on a per-MW basis will require additional administration for little benefit.
12.	Allocation of Cluster Study Network Upgrade Costs	LGIP, section 4.2.1.	<p>Tariff, Part VIII, Subpart C, sections 404(A)(5)-(6)</p> <p>Tariff, Part IX, Subpart H (Network Upgrade Cost Responsibility Agreement), section 6.0</p> <p>Tariff, Part IX, Subpart H-Appendix 2, section 2</p> <p>Tariff, Part IX, Subpart H, Schedule B</p> <p>Tariff, Part IX, Subpart B, Schedule L, section 11.2.3.6</p>	<p>The Tariff substantially complies with the Final Order's requirements. Project Developers are required to pay 100 percent of the Network Upgrade costs of the Interconnection Facilities necessary to accommodate its Interconnection Request. The Tariff includes a form of Network Upgrade Cost Responsibility Agreement, which allows for the allocation of Common Use Upgrade costs among Project Developers.</p> <p>Under the Tariff, PJM will use the proportional impact method to determine whether one or more Project Developers are subject to cost allocation for a Network Upgrade. Only one Project Developer can construct a Stand Alone Network Upgrade pursuant to the Option to Build.</p> <p>If the Commission were to require PJM to provide the detailed mechanics</p>

	LGIP and LGIA <i>Pro Forma</i> Requirement	LGIP and LGIA <i>Pro Forma</i> Citation	Relevant PJM Tariff Provision Citation	Justification
				(contained in PJM Manuals) of how costs will be allocated, PJM would need to submit a Federal Power Act section 205 filing every time the implementation details changed, which would be inefficient and burdensome.
13.	Increased Study Deposits	LGIP, section 3.1.1.1.	Tariff, Part VIII, Subpart B, sections 403(A)(5)(a)-(b)	<p>The Tariff's study provisions substantially comply with the Final Rule. While the study deposit amounts differ from that set forth in the Final Rule, like the Final Rule, PJM's process consists of a tiered study deposit amount based on the MW-size of an Interconnection Request. This process represents a reasonable proxy for the cost of all three studies and the specific tiers and dollar amounts were part of the comprehensive stakeholder-negotiated solutions package.</p> <p>The study deposit is a tiered, one-time deposit to be provided upon entry to the cluster, subject to true up to actual study costs, which protects all parties from any under- or over-recovery of costs.</p> <p>PJM requires that study deposits be paid by wire transfer, and the Readiness Deposits to be paid by wire transfer (cash) or letter of credit. This approach has proven workable, and provides</p>

	LGIP and LGIA <i>Pro Forma</i> Requirement	LGIP and LGIA <i>Pro Forma</i> Citation	Relevant PJM Tariff Provision Citation	Justification
				Project Developers with clear instructions and sufficient opportunity to submit deposits within the required timeframes.
14.	Demonstration of Site Control	LGIP, section 1.	<p>Tariff, Part VIII, Subpart A, sections 402(A)(2), (A)(4), (A)(5), (A)(8)(b)</p> <p>Tariff, Part VIII, Subpart C, sections 406(A)(1)(b) and 410(A)(1)(c)</p>	<p>The Tariff substantially complies with and achieves the same goal as the Final Rule.</p> <p>The Tariff contains detailed Site Control provisions and were negotiated through the stakeholder process and accepted by the Commission. Like the Final Rule, the Tariff's Site Control provisions require a strong showing of exclusive access to and control of land that can be met through a deed, lease, option agreement or other document demonstrating the Project Developer's right to possess, occupy, and control the Site. The Tariff also dictates that when there are multiple Project Developers on the same Site behind the same Point of Interconnection, Project Developers must control adequate land for all their Generating Facilities. The Tariff includes specific provisions for Project Developers using Sites owned or physically controlled by a federal or state entity.</p> <p>Strong Site Control requirements ensure Project Developers have proved their</p>

	LGIP and LGIA <i>Pro Forma</i> Requirement	LGIP and LGIA <i>Pro Forma</i> Citation	Relevant PJM Tariff Provision Citation	Justification
				<p>readiness to construct and simplify the study process and PJM has implemented Site Control requirements that apply to sites needed for the Interconnection Facilities required to support an Interconnection Request. These requirements are consistent with the Final Rule's goals because they ensure projects have sufficient Site Control to move forward to completion.</p> <p>PJM's Site Control provisions also provide Project Developers with an appropriate degree of flexibility when faced with permitting constraints. While different from the Final Rule, these provisions are consistent with the Final Rule's goals and allow a reasonable amount of flexibility to Project Developers. This includes the option of including a milestone in the Project Developer's GIA allowing it 180 days after execution of such agreement to satisfy the Site Control requirements.</p>
15.	Commercial Readiness	LGIP, sections 3.4.2, 7.5, 8.1, and 11.3.	<p>Tariff, Part VIII, Subpart C, section 406(A)(1)(a)(i)</p> <p>Tariff, Part VIII, Subpart C, section 408(A)(1)(b)</p>	As with the Tariff's study deposits, the Readiness Deposit structure contained in the Tariff substantially aligns with the Final Rule and will accomplish the same goal, with differences appropriate for the PJM Region.



	LGIP and LGIA <i>Pro Forma</i> Requirement	LGIP and LGIA <i>Pro Forma</i> Citation	Relevant PJM Tariff Provision Citation	Justification
				Consistent with the Final Rule, the Readiness Deposits will help reduce the number of speculative Interconnection Requests. PJM's Readiness Deposit structure is in line with the Final Rule requirement that the initial deposit be based on the project's size, with the remaining deposits based on the project's Network Upgrade costs, set at a level that will deter speculative projects without being too high as to discourage viable projects from smaller developers and others from entering a Cycle.
16.	LGIA Deposit	LGIP, section 11.3.	Tariff, Part VIII, Subpart A, section 400, Definitions S (Definition of Security)  Tariff, Part VIII, Subpart C, section 410(A)(1)(a)	The Tariff approach ties the Security amount to the estimated costs of the required Network Upgrades, which sends an accurate cost signal to Project Developers, and aligns the Security that is provided with its function of ensuring that the necessary Network Upgrades are paid for and constructed. It also ensures that funds will be available to construct upgrades if a Project Developer withdraws or its project is terminated. This process properly aligns with the intent and goals of the Final Rule, and should be permissible under the independent entity variation standard. It also recognizes that a Project Developer's ability to provide a Security amount based on the projected costs of its Network Upgrades is indicative of a project's viability.

	LGIP and LGIA <i>Pro Forma</i> Requirement	LGIP and LGIA <i>Pro Forma</i> Citation	Relevant PJM Tariff Provision Citation	Justification
17.	Withdrawal Penalties	LGIP, section 1 (Definition of “Withdrawal Penalty”); sections 3.7.1, 3.7.1.1, and 3.7.1.2.	Tariff, Part VIII, Subpart A, section 401(D)(2)(c)  Tariff, Part VIII, Subpart C, sections 408(B)(3)(b)(i) and 410(B)(5)(d)	<p>Rather than the term “Withdrawal Penalties,” the Tariff used the term “Readiness Deposits,” which are subject to forfeiture to offset the cost of underfunded Network Upgrades if a project is terminated or withdrawn.</p> <p>These provisions are in accordance with, and serve the same function as, the withdrawal penalties imposed in the Final Rule. When all New Service Requests in a Cycle have either entered into final agreements and the Decision Point III Site Control requirements have been met, or have been withdrawn, PJM will undertake a retooled study to provide a final determination of the Network Upgrades that are required for the Cycle.</p> <p>The forfeiture of Readiness Deposits applies when the Project Developer actively decides to withdraw its project, or its project is terminated or otherwise does not achieve commercial operation. However, there will be no forfeiture in the event of certain adverse study results, consistent with the Final Rule.</p> <p>The determination of the Readiness Deposit amounts to be refunded or</p>

	LGIP and LGIA <i>Pro Forma</i> Requirement	LGIP and LGIA <i>Pro Forma</i> Citation	Relevant PJM Tariff Provision Citation	Justification
				<p>forfeited is appropriately made after Decision Point III and after all Project Developers have entered into final interconnection-related agreements.</p> <p>PJM's Readiness Deposit construct aligns with the Final Rule, which states that the transmission provider is to hold all withdrawal penalty funds in a cluster until all Interconnection Requests have been terminated or withdrawn or all interconnection customers have executed an LGIA or requested that one be filed unexecuted.</p> <p>PJM does not apply a materiality test to withdrawals but instead counts all withdrawals as equivalent.</p> <p>This standard should reduce disputes and uncertainty as to whether a withdrawal has a material impact on other projects, and consistently accomplishes the Final Rule's goal of preventing disruptive late-stage withdrawals.</p>
18.	Operating Assumptions for Interconnection Studies	LGIP, sections 3.1.2, 3.2.1.2, 3.2.2.2, 3.3.1, 3.4.2, 4.4.3, 7.3, 8.2, and Appendix 1.	PJM's general planning assumptions are set forth in PJM Manual 14B: PJM Region	PJM requests that the Commission grant PJM an independent entity variation to allow PJM to deviate from this aspect of the Final Rule to find that PJM's modeling assumption requirements are

	LGIP and LGIA <i>Pro Forma</i> Requirement	LGIP and LGIA <i>Pro Forma</i> Citation	Relevant PJM Tariff Provision Citation	Justification
		LGIA, article 17.2 and Appendix H.	Transmission Planning Process, section 1.3. Assumptions related to Facilities Studies are listed in PJM Manual 14H: New Service Requests Cycle Process, Attachment C, section C.4.2.9. See also, PJM Tariff, Section 205.2 Scope of Studies; PJM Tariff Attachment D.	not required to change. The use of customer-provided operating assumptions is not consistent with how PJM performs its planning studies for its annual regional transmission planning process and the manner in which PJM operates the system in real time. Moreover, PJM's interconnection process is, and has been historically, resource-neutral, and if PJM modifies its process for one specific type of resource, the resulting administrative burdens and additional studies will slow down interconnection studies for all Project Developers. Additionally, strict adherence to the Final Rule would require PJM to include a special interconnection study with the larger cluster study for each project whose owner submits operating parameters.
19.	Incorporating the Enumerated Alternative Transmission Technologies into the Generator Interconnection Process	LGIA, section 7.3.	See Compliance Filing at 69-70	PJM seeks an independent entity variation with respect to the Final Rule's requirement that transmission providers include in interconnection study reports the results of their evaluation of the feasibility, cost, and time savings of grid enhancing technologies ("GETs") as an alternative to traditional transmission technologies. The Tariff already accounts for alternative transmission technologies in the interconnection process, as all of the enumerated GETs

	LGIP and LGIA <i>Pro Forma</i> Requirement	LGIP and LGIA <i>Pro Forma</i> Citation	Relevant PJM Tariff Provision Citation	Justification
				<p>already are considered and studied, as necessary in the course of interconnection studies in the PJM Region. There is nothing about GETs that requires special study protocols or separate reporting.</p> <p>PJM also plans to provide additional transparency on the utilization of GETs in PJM by the end of 2024. By that time, the Technical Reference Guide that PJM Applied Innovations is developing for alternative transmission technologies and GETs which will catalog those technologies and describe the conditions under which certain technologies may be considered as a reinforcement solution, will be publicly available through posting on PJM's website.</p>

## **Attachment B**

### **Illustrative Revisions to Tariff, Part VIII, Subpart E, section 414(A)**

## **Section 414, Surplus Interconnection Service**

### Surplus Interconnection Service

#### A. Surplus Interconnection Service Request

Requests for Surplus Interconnection Service may be made by the existing Project Developer whose Generating Facility is already interconnected, or one of its affiliates, or by an unaffiliated Project Developer, and may be submitted once the existing Project Developer has executed the LGIA or requested that the LGIA be filed unexecuted. The existing Project Developer 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 Project Developer. 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 Generator Interconnection 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.

## **Attachment C**

### **Illustrative Revisions to Tariff, Part VIII, Subpart E, section 431**



## **Tariff, Part VIII, Subpart E, Section 431, Interconnection Studies Processing Time and Metrics**

### **Section 431(G), Graduated Consequences for Study Delays**

#### G. Graduated Consequences for Study Delays

##### 1. Timing of Application

No penalties or consequences shall be assessed under this section until the third Cycle (including the Transition Cycles) after the Commission-approved effective date of Transmission Provider's filing made in compliance with the Final Rule in Docket No. RM22-14-000.

##### 2. Determination of Targeted Study Completion Dates

Before the start of Phase I of each Cycle under this Tariff, Part VIII, Transmission Provider shall work with Transmission Owners and other stakeholders to assess the projects in the Cycle and develop a Targeted Completion Date for Phase I and Decision Point I and an estimated Targeted Completion Date for Phase III and Decision Point III based on an analysis of, among other factors: (a) the number of projects in a Cycle; (b) the complexity and dominant location of the requested Points of Interconnection; (c) historic trends as to interconnection withdrawal rates by Project Developers; and (d) the interrelationship of queue processing to baseline upgrades that may already be underway. Following the close of Decision Point I, Transmission Provider shall work with Transmission Owners and other stakeholders to assess the projects remaining in the Cycle and develop a Final Targeted Completion Date for Phase III and Decision Point III based on an analysis of, among other factors: (a) the number of projects in a Cycle; (b) the complexity and dominant location of the requested Points of Interconnection; (c) historic trends

as to interconnection withdrawal rates by Project Developers; and (d) the interrelationship of queue processing to baseline upgrades that may already be underway. At this time, PJM will also develop Targeted Completion Dates for Affected System Impact Studies and any necessary Cycle restudies. The Targeted Completion Dates for a particular Cycle will be posted and reviewed with stakeholders before work commences on the Cycle's studies.

3. Grace Periods

No penalty will be assessed or consequences triggered under this subsection 431(G) where a study is delayed by ten (10) Business Days or less beyond the applicable Targeted Completion Date.

4. Agreed Extensions to Targeted Completion Dates

If Transmission Provider needs to extend the Targeted Completion Date or Final Targeted Completion Date, as applicable, for a particular study and all Project Developers and Affected System Interconnection Customers included in the relevant study mutually agree to such an extension, the Targeted Completion Date for that study shall be extended up to sixty (60) calendar days from the original deadline. In that event, no penalty will be assessed or consequences imposed for Transmission Provider missing the original Targeted Completion Date or Final Targeted Completion Date.

5. Studies Completed Less Than 10% in Excess of the Applicable Targeted Completion Date

If, after application of the grace period provided in subsection 431(G)(3) and any agreed upon extension under subsection 431(G)(4), the number of days Transmission Provider takes to complete any Cycle study or Affected System

Impact Study exceeds the number of days between the start of the study and the applicable Targeted Completion Date or Final Targeted Completion Date for the study by less than ten percent (10%), Transmission Provider will publicly post the occurrence and extent of the delay.

6. Studies Completed 10% to 25% in Excess of the Applicable Targeted Completion Date

If, after application of the grace period provided in subsection 431(G)(3) and any agreed upon extension under subsection 431(G)(4), the number of days Transmission Provider takes to complete any Cycle study or Affected System Impact Study exceeds the number of days between the start of the study and the applicable Targeted Completion Date or Final Targeted Completion Date for the study by ten percent (10%) or more, but less than or equal to twenty-five percent (25%), Transmission Provider will consult with Transmission Owners and file a report to the Commission as to the situation that caused the applicable Targeted Completion Date or Final Targeted Completion Date to be missed. The report will also address whether it is expected that Targeted Completion Dates for future Cycles will be missed to the same degree as a result of the particular cause that gave rise to the missed Targeted Completion Date for the Cycle in question. Transmission Provider will detail in the filing proposed process reforms to be implemented going forward to resolve identified causes for study completion delays.

7. Studies Completed More Than 25% in Excess of the Applicable Targeted Completion Date

If, after application of the grace period provided in subsection 431(G)(3) and any agreed upon extension under subsection 431(G)(4), the number of days Transmission Provider takes to complete any Cycle study or Affected System Impact Study exceeds the number of days between the start of the study and the applicable Targeted Completion Date or Final Targeted Completion Date for the study by more than twenty-five percent (25%), Transmission Provider will, subject to subsection 431(G)(7), rebate to the Project Developers affected by the delay a portion of the study deposits they provided to Transmission Provider. The rebate will be capped at fifty percent (50%) of the total study deposits provided.

8. Appeal of Penalties to the Commission

Transmission Provider or Transmission Owner(s), as applicable, may appeal to the Commission any penalties or rebates imposed under this section. Any such appeal must be filed no later than forty-five (45) calendar days after the late study has been completed. While an appeal to the Commission is pending, Transmission Provider or applicable Transmission Owner(s) shall remain liable for the penalty, but need not distribute the penalty until forty-five (45) calendar days after: (a) the deadline for filing a rehearing request has ended, if no requests for rehearing of the appeal have been filed; or (b) the date that any requests for rehearing of the Commission's decision on the appeal are no longer pending before the Commission. The Commission may excuse Transmission Provider or applicable Transmission Owner(s) from penalties under this section for good cause.

9. Posting Requirements for Delays and Penalties

Transmission Provider must maintain on its OASIS or its public website summary statistics related to penalties or rebates assessed under subsection 431(G)(7), updated semi-annually. For each semi-annual period, Transmission Provider must calculate and post: (a) the total amount of penalties assessed or rebates provided under subsection 431(G)(7) during the previous reporting period; and (b) the highest penalty assessed or rebate provided under subsection 431(G)(7) paid to a single Interconnection Customer or Affected System Interconnection Customer during the previous reporting period. Transmission Provider must post on its OASIS or its website these penalty or rebate amounts for each semi-annual period within thirty (30) Calendar Days of the end of the period. Transmission Provider must maintain the semi-annual measures posted on its OASIS or its website for three (3) calendar years with the first required posting to be for the third Cycle (including the Transition Cycles) after the Commission-approved effective date of Transmission Provider's filing made in compliance with the Final Rule in Docket No. RM22-14-000 with an application deadline after June 2, 2025.

### **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, D.C., this 29th day of October 2024.

/s/ David S. Berman  
David S. Berman