

June 24, 2025

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

Re: *PJM Interconnection, L.L.C.*, Docket Nos. ER25-1544-____, EL25-22-000
Compliance Filing of Commission-Approved Settlement Tariff Revisions

Dear Secretary Reese:

In compliance with the June 10, 2025 order¹ of the Federal Energy Regulatory Commission (“Commission”) accepting the Settlement Agreement and Offer of Settlement (“Settlement”) resolving all claims and issues raised in the complaint in Docket No. EL25-22-000, PJM Interconnection, L.L.C. (“PJM”) submits revisions to its Open Access Transmission Tariff (“Tariff”) in accordance with the terms of the Settlement. PJM submits the enclosed Tariff revisions that are identical to the pro forma revisions included with the Settlement as “live” revisions to the Tariff, with two revisions to correct typographical errors identified by the Commission.² As directed in the June 10 Order, PJM requests an effective date of June 10, 2025, for the Tariff revisions submitted.³ The marked Tariff revisions are included hereto as Attachment A, and the clean Tariff revisions as Attachment B.

In accordance with the foregoing, PJM respectfully requests that the Commission accept the revisions to the Tariff, effective June 10, 2025, resolving all claims and issues raised in the complaint.

¹ *PJM Interconnection, L.L.C.*, 191 FERC ¶ 61,189 (2025) (“June 10 Order”). PJM will be filing separately a request for clarification of the June 10 Order.

² *Id.* at P 20 (directing corrections to Tariff, Part VII, Subpart D, section 309(B)(5)(b) to cross reference intended section 309(A)(1)(b), and Tariff, Part VIII, Subpart C, section 410(A)(1)(c)(i)(a) to reference intended section 410(C)).

³ *Id.* at P 21.

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Respectfully submitted,

/s/ Wendy B. Warren

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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, DC, this 24th day of June 2025.

/s/ Wendy B. Warren
Wendy B. Warren
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Attorney for
PJM Interconnection, L.L.C.

Attachment A

Revisions to the PJM Open Access Transmission Tariff

(Marked/Redline Format)

Tariff, Part VII, Subpart D, section 309
Decision Point I

A. Requirements

The Decision Point I shall commence on the first Business Day immediately following the end of Phase I. New Service Requests that are studied in Phase I will enter Decision Point I. Before the close of the Decision Point I, Project Developer or Eligible Customer shall choose either to remain in the Cycle subject to the terms set forth below, or to withdraw its New Service Request.

1. For a New Service Request to remain in the Cycle, it must either proceed as set forth immediately below, or, if Transmission Provider determines a New Service Request qualifies to accelerate to a final interconnection related agreement (from Tariff, Part IX), such New Service Request must meet the requirements set forth below in Tariff, Part VII, Subpart D, section 309(A)(2) (acceleration provisions).
 - a. For a New Service Request that is not otherwise eligible to accelerate to a final interconnection related agreement (from Tariff, Part IX) to remain in the Cycle, Transmission Provider must receive from the Project Developer or Eligible Customer all of the following required elements before the close of Decision Point I:
 - i. The applicable Readiness Deposit No. 2
 - (a) The Decision Point I Readiness Deposit No. 2 is to be paid cumulatively, i.e., in addition to the Readiness Deposit No. 1 that was submitted with the New Service Request at the Application Phase. The Decision Point I Readiness Deposit No. 2 will be calculated by the Transmission Provider during Phase I, and shall not be reduced or refunded based upon subsequent New Service Request modifications or cost allocation changes.
 - (b) At Decision Point I, the Readiness Deposit No. 2 required shall be an amount equal to:
 - (i) the greater of (i) 10 percent of the cost allocation for the Network Upgrades as calculated in Phase I or (ii) the Readiness Deposit No. 1 paid by the Project Developer with its New Service Request during the Application Phase; minus
 - (ii) the Readiness Deposit No. 1 amount paid by the Project Developer with its New Service Request during the Application Phase
 - (c) The Readiness Deposit No. 2 amount due can be zero, but cannot be a negative number (i.e., there will not be any

refunded amounts associated with Readiness Deposit No. 2).

- b. Project Developers must provide evidence of Site Control that is in accordance with the Site Control rules set forth above in Tariff, Part VII, Subpart A, section 302, and is also in accordance with the following additional specifications:
 - i. Generating Facility or Merchant Transmission Facility Site Control evidence for an additional one-year term beginning from last day of the relevant Cycle, Phase I.
 - (a) Such Site Control evidence shall ~~be identical to the Generating Facility or Merchant Transmission Facility Site Control evidence submitted for a New Service Request in the Application Phase, and shall~~ continue to cover 100 percent of the Generating Facility or Merchant Transmission Facility Site, including the location of the high-voltage side of the Generating Facility's main power transformer(s). Any modifications to Site Control must adhere to Tariff, Part VII, Subpart D, section 309(B)(5) (Generating Facility or Merchant Transmission Facility Site Changes).
 - (b) Interconnection Facilities (to the Point of Interconnection) Site Control evidence for a one-year term beginning from the last day of the relevant Cycle, Phase I.
 - (i) Such Site Control evidence shall cover 50 percent of the linear distance for the identified required Interconnection Facilities associated with a New Service Request.
 - (c) If applicable, Interconnection Switchyard Site Control evidence for a one-year term beginning from the last day of the relevant Cycle, Phase I.
 - (i) Such Site Control evidence shall cover 50 percent of the acreage required for the identified required Interconnection Switchyard facilities associated with a New Service Request.
- c. For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid corresponding interconnection request with any required adjacent Control Area(s) in which it is interconnecting or is required to interconnect with as part of such Transmission Interconnection Request. Project Developer shall maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM

Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn, and will be removed from the Cycle.

- d. Evidence of air and water permits (if applicable)
 - e. For state-level, non-jurisdictional interconnection projects, evidence of participation in the state-level interconnection process with the applicable entity.
 - f. Submission of New Service Request data for Phase II System Impact Study.
 - g. If Project Developer or Eligible Customer fails to submit all of the criteria in (a) through (f) above, before the close of the Decision Point I Phase, Project Developer's or Eligible Customer's New Service Request shall be deemed terminated and withdrawn.
 - h. If Project Developer or Eligible Customer submits all elements in (a) through (f) above, then, at the close of the Decision Point I, Transmission Provider will begin the deficiency review of the elements set forth in (b) through (e) above, as follows:
 - i. Transmission Provider will exercise Reasonable Efforts to inform Project Developer or Eligible Customer of deficiencies within 10 Business Days after the close of Decision Point I.
 - ii. Project Developer or Eligible Customer then has five Business Days to respond to Transmission Provider's deficiency determination.
 - iii. Transmission Provider then will exercise Reasonable Efforts to review Project Developer's or Eligible Customer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or include the New Service Request in Phase II.
 - iv. Transmission Provider's review of the above required elements may run co-extensively with Phase II.
2. Acceleration at Decision Point I. Only New Service Requests that have no cost allocation for Network Upgrades and do not require further studies are eligible for acceleration. Upon completion of the Phase I System Impact Study, Transmission Provider may accelerate treatment of such New Service Request.

- a. For (i) a jurisdictional project that qualifies to accelerate, or (ii) a non-jurisdictional project that qualifies to accelerate and which retains a fully executed state level interconnection agreement with the applicable entity, to remain in the Cycle, Transmission Provider must receive from the Project Developer all of the following required elements before the close of Decision Point I:
 - i. Security
 - (a) Security shall be calculated for New Service Requests based upon Network Upgrades costs allocated pursuant to the Phase I System Impact Study Results.
 - ii. Notification in writing that Project Developer or Eligible Customer elects to proceed to a final agreement with respect to its New Service Request
 - iii. Project Developer must provide evidence of Site Control that is in accordance with the Site Control rules set forth above in Tariff, Part VII, Subpart A, section 302, and is also in accordance with the following additional specifications:
 - (a) Generating Facility or Merchant Transmission Facility Site Control evidence for an additional one-year term beginning from last day of the relevant Cycle, Phase I.
 - (i) Such Site Control evidence shall be identical to the Generating Facility or Merchant Transmission Facility Site Control evidence submitted for a New Service Request in the Application Phase, and shall continue to cover 100 percent of the Generating Facility Site, including the location of the high-voltage side of the Generating Facility's main power transformer(s).
 - (b) Interconnection Facilities (to the Point of Interconnection) Site Control evidence for a one-year term beginning from the last day of the relevant Cycle, Phase I.
 - (i) Such Site Control evidence shall cover 100 percent of the linear distance for the identified required Interconnection Facilities associated with a New Service Request.
 - (c) Interconnection Switchyard, if applicable, Site Control evidence for a one-year term beginning from the last day of the relevant Cycle, Phase I.
 - (i) Such Site Control evidence shall cover 100 percent of the acreage required identified required

Interconnection Switchyard associated with a New Service Request.

- iv. If Project Developer fails to produce all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with (i), (ii) and (iii) above, then Project Developer must provide evidence acceptable to Transmission Provider demonstrating that Project Developer is in negotiations with appropriate entities to meet the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with (i), (ii) and (iii) above.
 - (a) If Transmission Provider determines that the evidence of such negotiations is acceptable, then Transmission Provider shall add a condition precedent in the New Service Request final interconnection related agreement (from Tariff, Part IX) requiring that within 180 days from the effective date of such final agreement, all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with (i), (ii) and (iii) above, shall be met or, otherwise, such agreement shall automatically be deemed terminated and cancelled, and the related New Service Request shall automatically be deemed terminated and withdrawn from the Cycle.
 - (1) Such condition precedent shall not be extended under any circumstances for any reason.
- b. Project Developer must provide evidence that it has: (i) entered a fuel delivery agreement and water agreement, if necessary, and that it controls any necessary rights-of-way for fuel and water interconnections; (ii) obtained any necessary local, county, and state site permits; and (iii) signed a memorandum of understanding for the acquisition of major equipment.
- c. For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid corresponding interconnection request with any required adjacent Control Area(s) in which it is interconnecting or is required to interconnect with as part of such Transmission Interconnection Request. Project Developer shall maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request

process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn, and will be removed from the Cycle.

- d. For a non-jurisdictional project, evidence of a fully executed state level interconnection agreement with the applicable entity.
 - e. If Project Developer or Eligible Customer fails to submit all of the criteria in (a) through (d) above (noting the exception provided for Site Control), before the close of the Decision Point I Phase, Project Developer's or Eligible Customer's New Service Request shall be deemed terminated and withdrawn.
 - f. If Project Developer or Eligible Customer subject to Acceleration at Decision Point I submits all elements in (a) through (d) above, then, at the close of the Decision Point I, Transmission Provider will begin the deficiency review of the elements set forth in (a) through (d) above, as follows:
 - i. Transmission Provider will exercise Reasonable Efforts to inform Project Developer or Eligible Customer of deficiencies within 10 Business Days after the close of Decision Point I.
 - ii. Project Developer or Eligible Customer then has five Business Days to respond to Transmission Provider's deficiency determination.
 - iii. Transmission Provider then will exercise Reasonable Efforts to review Project Developer's or Eligible Customer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or proceed to a final interconnection related agreement (from Tariff, Part IX). The final interconnection related agreement shall be negotiated and issued in accordance with the rules set forth in Tariff, Part VII, Subpart D, section 314.
3. For a New Service Request for a non-jurisdictional project that qualifies to accelerate to a final interconnection related agreement (from Tariff, Part IX) but which has not yet secured a fully executed state level interconnection agreement with the applicable entity before the close of Decision Point I to remain in the Cycle, Transmission Provider must receive from the Project Developer all of the following required elements, before the close of Decision Point III:
- a. Security. Security shall be calculated for New Service Requests based upon Network Upgrades costs allocated pursuant to the Phase I System Impact Study Results.
 - b. Notification in writing that Project Developer elects to proceed to a final agreement with respect to its New Service Request

- c. Evidence of Site Control that is in accordance with the Site Control rules set forth above in Tariff, Part VII, Subpart A, section 302, and is also in accordance with the following additional specifications:
 - i. Generating Facility Site Control evidence is required to be maintained for an additional term beginning from last day of the relevant Cycle, Phase I that extends through full execution date of the relevant state level interconnection agreement with the applicable entity, plus one year beyond such full execution date of the relevant state level interconnection agreement with the applicable entity.
 - (a) Such Site Control evidence shall be identical to the Generating Facility Site Control evidence submitted for a New Service Request in the Application Phase, and shall continue to cover 100 percent of the Generating Facility Site, including the location of the high-voltage side of the Generating Facility's main power transformer(s).
 - ii. Interconnection Facilities (to the Point of Interconnection) Site Control evidence is required to be maintained for a term beginning from last day of the relevant Cycle, Phase I that extends through full execution date of the relevant state level interconnection agreement with the applicable entity, plus one year beyond such full execution date of the relevant state level interconnection agreement with the applicable entity.
 - (a) Such Site Control evidence shall cover 100 percent of the linear distance for the identified required Interconnection Facilities associated with a New Service Request.
 - iii. Interconnection Switchyard, if applicable, Site Control evidence is required to be maintained for a term beginning from last day of the relevant Cycle, Phase I that extends through full execution date of the relevant state level interconnection agreement with the applicable entity, plus one year beyond such full execution date of the relevant state level interconnection agreement with the applicable entity.
 - (a) Such Site Control evidence shall cover 100 percent of the acreage required for the identified required Interconnection Switchyard associated with a New Service Request.
 - iv. PJM may request evidence of the required Site Control at any point beginning from last day of the relevant Cycle, Phase I through a date that extends one year beyond the full execution date of the relevant state level interconnection agreement with the applicable entity

- v. If Project Developer fails to produce all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with (i), (ii) and (iii) above, then Project Developer must provide evidence acceptable to Transmission Provider demonstrating that Project Developer is in negotiations with appropriate entities to meet the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with (i), (ii) and (iii) above.
 - (a) If Transmission Provider determines that the evidence of such negotiations is acceptable, then Transmission Provider shall add a condition precedent in the New Service Request final interconnection related agreement (from Tariff, Part IX) requiring that within 180 days from the effective date of such final agreement, all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with (i), (ii) and (iii) above, shall be met or, otherwise, such agreement shall automatically be deemed terminated and cancelled, and the related New Service Request shall automatically be deemed terminated and withdrawn from the Cycle.
 - (i) Such condition precedent shall not be extended under any circumstances for any reason.
- d. For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid corresponding interconnection request with any required adjacent Control Area(s) in which it is interconnecting or is required to interconnect with as part of such Transmission Interconnection Request. Project Developer shall maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn, and will be removed from the Cycle
- e. Evidence of a fully executed state level Interconnection Agreement with the applicable entity
- f. Project Developer must provide evidence that it has: (i) entered a fuel delivery agreement and water agreement, if necessary, and that it controls any necessary rights-of-way for fuel and water interconnections; (ii) obtained any necessary local, county, and state site permits; and (iii)

signed a memorandum of understanding for the acquisition of major equipment.

- g. If Project Developer fails to submit all of the criteria in (a) through (f) above (noting the exception provided for Site Control), before the close of the Decision Point III Phase, Project Developer's New Service Request shall be deemed terminated and withdrawn.
- h. When Project Developer meets all of the requirements above, then, at the point at which the last required piece of evidence as set forth in (a) through (f) above was submitted, Transmission Provider will begin the deficiency review of the elements set forth in (a) through (f) above, as follows:
 - i. Transmission Provider will exercise Reasonable Efforts to inform Project Developer of deficiencies within 10 Business Days after the close of Decision Point I.
 - ii. Project Developer then has five Business Days to respond to Transmission Provider's deficiency determination.
 - iii. Transmission Provider then will exercise Reasonable Efforts to review Project Developer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or proceed to a final interconnection related agreement (from Tariff, Part IX). The final interconnection related agreement shall be negotiated and issued in accordance with the rules set forth in Tariff, Part VII, Subpart D, section 314.

4. New Service Request Withdraw or Termination at Decision Point I

- a. A Project Developer or Eligible Customer may withdraw its New Service Request during Decision Point I. If the Project Developer or Eligible Customer elects to withdraw its New Service Request during Decision Point I, the Transmission Provider must receive before the close of the Decision Point I Phase written notification from the Project Developer or Eligible Customer of Project Developer's or Eligible Customer's decision to withdraw its New Service Request.
- b. Transmission Provider may deem a New Service Request terminated and withdrawn for failing to meet any of the Decision Point I requirements, as set forth in this Tariff, Part VII, Subpart D, section 309.
- c. If a New Service Request is either withdrawn or deemed terminated and withdrawn, it will be removed from the relevant Cycle, and Readiness Deposits and Study Deposits will be disbursed as follows:
 - i. For Readiness Deposits:
 - (a) At the conclusion of Transmission Provider's deficiency review for Decision Point I or upon voluntary withdrawal

of a New Service Request, refund to the Project Developer or Eligible Customer 50 percent of Readiness Deposit No. 1 paid by the Project Developer or Eligible Customer with its New Service Request during the Application Phase, and 100 percent of Readiness Deposit No. 2 paid by the Project Developer or Eligible Customer during this Decision Point I. Notwithstanding the preceding, Project Developers or Eligible Customers in Transition Cycle # 1 will be refunded 100 percent of Readiness Deposit No. 1 paid by the Project Developer or Eligible Customer with its New Service Request provided pursuant to Tariff, Part VII, Subpart C, section 306(A)(5)(b), and 100 percent of the Readiness Deposit No. 2 paid by the Project Developer or Eligible Customer during this Decision Point I; and

(b) At the conclusion of the Cycle, Project Developers or Eligible Customers will be refunded up to 50 percent of Readiness Deposit No. 1 pursuant to Tariff, Part VII, Subpart A, section 301(A)(3).

ii. At the conclusion of Transmission Provider's deficiency review for Decision Point I, Project Developers or Eligible Customers will be refunded up to 90 percent of their Study Deposit submitted with their New Service Request during the Application Phase, less any actual costs.

B. New Service Request Modification Requests at Decision Point I

1. Project Developer or Eligible Customer may not request a modification that is not expressly allowed. To the extent Project Developer or Eligible Customer desires a modification that is not expressly allowed, Project Developer or Eligible Customer must withdraw its New Service Request and resubmit the New Service Request with the proposed modification in a subsequent Cycle.
2. Reductions in Maximum Facility Output and/or Capacity Interconnection Rights. Project Developer may reduce the previously requested New Service Request Maximum Facility Output and/or Capacity Interconnection Rights values, up to 100 percent of the requested amount
3. Fuel Changes. The fuel type specified in the New Service Request may not be changed or modified in any way for any reason, except that for New Service Requests that involve multiple fuel types, removal of a fuel type through these reduction rules will not constitute a fuel type change.
4. Point of Interconnection.
 - a. The Point of Interconnection must be finalized before the close of the Decision Point I Phase.

- i. Project Developer may only move the location of the Point of Interconnection 1) along the same segment of transmission line, as defined by the two electrical nodes located on the transmission line as modeled in the Phase I Base Case Data, or 2) move the location of the Point of Interconnection to a different breaker position within the same substation, subject to Transmission Owner review and approval. Project Developer may not modify its Point of Interconnection to/from a transmission line from/to a direct connection into a substation.
 - (a) Project Developer must notify Transmission Provider in writing of any changes to its Point of Interconnection prior to the close of Decision Point I. No modifications to the Point of Interconnection will be accepted for any reason after the close of Decision Point I.

5. Generating Facility or Merchant Transmission Facility Site Changes

Project Developer may specify a change to the project Site that was previously submitted in the Application Phase only if:

- a. ~~the Project Developer satisfied the requirements for Site Control for both the initial Site proposed in the New Service Request Application and the newly proposed Site; and~~
- b. ~~the initial Site and the proposed Site are adjacent parcels~~ or evidence of easements between locations is provided; and
- be. Such Site Control is subject to the verification procedures set forth in Tariff, Subpart D, section 309(A)(~~21~~)(eb) (Decision Point I Site Control verification).

Demonstration of Site Control as to parcels submitted in the Application Phase that are no longer utilized in the Site is not required.

6. Equipment Changes

- a. During Decision Point I, Project Developer may modify its Interconnection Request for updated equipment data. Project Developer shall submit machine modeling data as specified in the PJM Manuals before the close of Decision Point I.

Tariff, Part VII, Subpart D, section 311
Decision Point II

A. Requirements

Decision Point II shall commence on the first Business Day immediately following the end of Phase II. New Service Requests that are studied in Phase II will enter Decision Point II. Before the close of Decision Point II, Project Developer or Eligible Customer shall choose either to remain in the Cycle subject to the terms set forth below, or to withdraw its New Service Request.

1. For a New Service Request to remain in the Cycle, it must either proceed as set forth immediately below, or, if Transmission Provider determines a New Service Request qualifies to accelerate to a final interconnection related agreement (from Tariff, Part IX), such new Service Request must meet the requirements set forth below in Tariff, Part VII, Subpart D, section 311(A)(2)(d).
 - a. For a New Service Request that is not otherwise eligible to accelerate to a final interconnection related agreement (from Tariff, Part IX) to remain in the Cycle, Transmission Provider must receive from the Project Developer or Eligible Customer all of the following required elements before the close of Decision Point II:
 - b. The applicable Readiness Deposit No. 3
 - i. The Decision Point II Readiness Deposit No. 3 to be paid cumulatively, i.e., in addition to the Readiness Deposit No. 1 that was submitted with the New Service Request at the Application Phase, and the Readiness Deposit No. 2 that was submitted at Decision Point I. The Decision Point II Readiness Deposit No. 3 will be calculated by the Transmission Provider during Phase II, and shall not be reduced or refunded based upon subsequent New Service Request modifications or cost allocation changes.
 - ii. The Decision Point II Readiness Deposit No. 3 required amount shall be an amount equal to the greater of:
 - (a) (i) 20 percent of the cost allocation for the Network Upgrades as calculated in Phase II or (ii) the Readiness Deposit No. 1 paid by the Project Developer or Eligible Customer with its New Service Request during the Application Phase plus the Readiness Deposit No. 2 paid by the Project Developer or Eligible Customer with its New Service Request during Decision Point I; minus
 - (b) the Readiness Deposit No. 1 amount paid by the Project Developer with its New Service Request during the Application Phase, plus the Readiness Deposit No. 2 amount paid by the Project Developer or Eligible Customer with its New Service Request during Decision Point I.

- iii. The Readiness Deposit No. 3 amount due can be zero, but cannot be a negative number (i.e., there will not be any refunded amounts associated with Readiness Deposit No. 3).
 - c. Notification in writing that Project Developer or Eligible Customer elects to exercise the Option to Build for Stand Alone Network Upgrades identified with respect to its New Service Request
 - d. Evidence of Site Control. There are no Site Control evidentiary requirements at Decision Point II.
 - e. Evidence of air and water permits (if applicable)
 - f. For state-level, non-jurisdictional interconnection projects, evidence of participation in the state-level interconnection process with the applicable entity.
 - g. Submission of New Service Request Data for Phase II System Impact Study data.
 - h. Evidence that Project Developer or Eligible Customer entered into a fully executed Affected System Study Agreement, if applicable to its New Service Request by the later of Decision Point II or 60 days after notification from Transmission Provider that an Affected System Study Agreement is required.
 - i. For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid interconnection request with the adjacent Control Area(s) in which it is interconnecting. Project Developer shall maintain its queue position(s) with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its queue position(s) with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn.
 - j. If Project Developer or Eligible Customer fails to submit all of the criteria in (b) through (i) above, before the close of Decision Point II, Project Developer's or Eligible Customer's New Service Request shall be deemed terminated and withdrawn.
2. If Project Developer or Eligible Customer submits all elements in (b) through (i) above, then, at the close of the Decision Point II, Transmission Provider will begin the deficiency review of the elements set forth in (b) through (i) above, as follows:

- a. Transmission Provider will exercise Reasonable Efforts to inform Project Developer or Eligible Customer of deficiencies within 10 Business Days after the close of Decision Point II.
- b. Project Developer or Eligible Customer then has five Business Days to respond to Transmission Provider's deficiency determination.
- c. Transmission Provider then will exercise Reasonable Efforts to review Project Developer's or Eligible Customer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or include the New Service Request in Phase III.
 - i. Transmission Provider's review of the above required elements may run co-extensively with Phase III.
- d. Acceleration at Decision Point II. Only New Service Requests that have no cost allocation for Network Upgrades and do not require further studies are eligible for acceleration. Upon completion of the Phase II System Impact Study, Transmission Provider may accelerate treatment of such New Service Request.
 - i. For (i) a jurisdictional project that qualifies to accelerate, or (ii) a non-jurisdictional project that qualifies to accelerate and which retains a fully executed state level interconnection agreement with the applicable entity, to remain in the Cycle, Transmission Provider must receive from the Project Developer or Eligible Customer all of the following required elements before the close of Decision Point II:
 - (a) Security
 - (i) Security shall be calculated for New Service Requests based upon Network Upgrades costs allocated pursuant to the Phase II System Impact Study Results.
 - (b) Notification in writing that Project Developer or Eligible Customer elects to proceed to a final agreement with respect to its New Service Request
 - (c) Evidence of Site Control that is in accordance with the Site Control rules set forth above in Tariff, Part VII, Subpart A, section 302, and is also in accordance with the following additional specifications:
 - (i) Generating Facility or Merchant Transmission Facility Site Control evidence for an additional one-year term beginning from last day of the relevant Cycle, Phase II.

- (1) Such Site Control evidence shall be identical to the Generating Facility or Merchant Transmission Facility Site Control evidence submitted for a New Service Request in the Application Phase, and shall continue to cover 100 percent of the Generating Facility Site, including the location of the high-voltage side of the Generating Facility's main power transformer(s).
 - (ii) Interconnection Facilities (to the Point of Interconnection) Site Control evidence for a one-year term beginning from the last day of the relevant Cycle, Phase II.
 - (1) Such Site Control evidence shall cover 100 percent of the linear distance for identified required Interconnection Facilities associated with a New Service Request.
 - (iii) If applicable, Interconnection Switchyard Site Control evidence for a one-year term beginning from the last day of the relevant Cycle, Phase II.
 - (1) Such Site Control evidence shall cover 100 percent of the acreage required for the identified required Interconnection Switchyard associated with a New Service Request.
- e. If Project Developer fails to produce all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with Tariff, Part VII, Subpart D, section 311(A)(2)(d)(i), (ii) and (iii) above, then Project Developer must provide evidence acceptable to Transmission Provider demonstrating that Project Developer is in negotiations with appropriate entities to meet the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with Tariff, Part VII, Subpart D, section 311(A)(2)(d)(i), (ii) and (iii) above.
 - i. If Transmission Provider determines that the evidence of such negotiations is acceptable, then Transmission Provider shall add a condition precedent in the New Service Request final interconnection related agreement (from Tariff, Part IX) requiring that within 180 days from the effective date of such final agreement, all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with Tariff, Part VII, Subpart D, section 311(A)(2)(d)(i), (ii) and (iii) above, shall be met or,

otherwise, such agreement shall automatically be deemed terminated and cancelled, and the related New Service Request shall automatically be deemed terminated and withdrawn from the Cycle.

- (a) Such condition precedent shall not be extended under any circumstances for any reason.
- (b) Project Developer must provide evidence that it has: (i) entered a fuel delivery agreement and water agreement, if necessary, and that it controls any necessary rights-of-way for fuel and water interconnections; (ii) obtained any necessary local, county, and state site permits; and (iii) signed a memorandum of understanding for the acquisition of major equipment.
- (c) For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid corresponding interconnection request with any required adjacent Control Area(s) in which it is interconnecting or is required to interconnect with as part of such Transmission Interconnection Request. Project Developer shall maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn, and will be removed from the Cycle.
- (d) For a non-jurisdictional project, evidence of a fully executed state level interconnection agreement with the applicable entity.
- (e) If Project Developer or Eligible Customer fails to submit all of the criteria in Tariff, Part VII, Subpart D, section 311(A)(2)(e)(i)(a) through (d) above (noting the exception provided for Site Control), before the close of Decision Point II, Project Developer's or Eligible Customer's New Service Request shall be deemed terminated and withdrawn.

- (f) If Project Developer or Eligible Customer submits all elements in Tariff, Part VII, Subpart D, section 311(A)(2)(e)(i)(a) through (d) above, then, at the close of the Decision Point II, Transmission Provider will begin the deficiency review of the elements set forth in Tariff, Part VII, Subpart D, section 311(A)(2)(e)(i)(a) through (d) above, as follows:
 - (i) Transmission Provider will exercise Reasonable Efforts to inform Project Developer or Eligible Customer of deficiencies within 10 Business Days after the close of Decision Point I.
 - (ii) Project Developer or Eligible Customer then has five Business Days to respond to Transmission Provider's deficiency determination.
 - (iii) Transmission Provider then will exercise Reasonable Efforts to review Project Developer's or Eligible Customer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or proceed to a final interconnection related agreement (from Tariff, Part IX). The final interconnection related agreement shall be negotiated and issued in accordance with the rules set forth in Tariff, Part VII, Subpart D, section 314.
- (g) For a New Service Request for a non-jurisdictional project that qualifies to accelerate to a final interconnection related agreement (from Tariff, Part IX) but which has not yet secured a fully executed state level interconnection agreement with the applicable entity before the close of Decision Point II to remain in the Cycle, Transmission Provider must receive from the Project Developer all of the following required elements, before the close of Decision Point III:
 - (h) Security. Security shall be calculated for New Service Requests based upon Network Upgrades costs allocated pursuant to the Phase II System Impact Study Results.
 - (i) Notification in writing that Project Developer elects to proceed to a final agreement with respect to its New Service Request
 - (j) Evidence of Site Control that is in accordance with the Site Control rules set forth above in Tariff, Part VII, Subpart A,

section 302, and is also in accordance with the following additional specifications:

- (i) Generating Facility Site Control evidence is required to be maintained for an additional term beginning from last day of the relevant Cycle, Phase II that extends through full execution date of the relevant state level interconnection agreement with the applicable entity, plus one-year beyond such full execution date of the relevant state level interconnection agreement with the applicable entity.
 - (1) Such Site Control evidence shall be identical to the Generating Facility Site Control evidence submitted for a New Service Request in the Application Phase, and shall continue to cover 100 percent of the Generating Facility Site, including the location of the high-voltage side of the Generating Facility's main power transformer(s).
- (ii) Interconnection Facilities (to the Point of Interconnection) Site Control evidence is required to be maintained for a term beginning from last day of the relevant Cycle, Phase II that extends through the full execution date of the relevant state level interconnection agreement with the applicable entity, plus one year beyond such full execution date of the relevant state level interconnection agreement with the applicable entity.
 - (1) Such Site Control evidence shall cover 100 percent of linear distance for the identified required Interconnection Facilities associated with a New Service Request.
- (iii) Interconnection Switchyard, if applicable, Site Control evidence is required to be maintained for a term beginning from last day of the relevant Cycle, Phase II that extends through full execution date of the relevant state level interconnection agreement with the applicable entity, plus one year beyond such full execution date of the relevant state level interconnection agreement with the applicable entity.

- (1) Such Site Control evidence shall cover 100 percent of acreage required for the identified required Interconnection Switchyard associated with a New Service Request.
- (iv) PJM may request evidence of the required Site Control at any point beginning from last day of the relevant Cycle, Phase II through a date that extends one year beyond the full execution date of the relevant state level interconnection agreement with the applicable entity
- (v) If Project Developer fails to produce all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with Tariff, Part VII, Subpart D, section 311(A)(2)(j)(i), (ii) and (iii) above, then Project Developer must provide evidence acceptable to Transmission Provider demonstrating that Project Developer is in negotiations with appropriate entities to meet the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with Tariff, Part VII, Subpart D, section 311(A)(2)(j)(i), (ii) and (iii) above.
 - (1) If Transmission Provider determines that the evidence of such negotiations is acceptable, then Transmission Provider shall add a condition precedent in the New Service Request final interconnection related agreement (from Tariff, Part IX) requiring that within 180 days from the effective date of such final agreement, all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with Tariff, Part VII, Subpart D, section 311(A)(2)(j)(i), (ii) and (iii) above, shall be met or, otherwise, such agreement shall automatically be deemed terminated and cancelled, and the related New Service Request shall automatically be deemed terminated and withdrawn from the Cycle.
 - (1.a) Such condition precedent shall not be extended under any circumstances for any reason.

- (k) For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid corresponding interconnection request with any required adjacent Control Area(s) in which it is interconnecting or is required to interconnect with as part of such Transmission Interconnection Request. Project Developer shall maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn, and will be removed from the Cycle
- (l) Evidence of a fully executed state level Interconnection Agreement with the applicable entity
- (m) Project Developer must provide evidence that it has: (i) entered a fuel delivery agreement and water agreement, if necessary, and that it controls any necessary rights-of-way for fuel and water interconnections; (ii) obtained any necessary local, county, and state site permits; and (iii) signed a memorandum of understanding for the acquisition of major equipment.
- (n) If Project Developer or Eligible Customer fails to submit all of the criteria in Tariff, Part VII, Subpart D, section 311(A)(2)(a) through (m) above (noting the exception provided for Site Control), before the close of the Decision Point III Phase, Project Developer's or Eligible Customer's New Service Request shall be deemed terminated and withdrawn.
- (o) When Project Developer or Eligible Customer meets all of the requirements above, then, at the point at which the last required piece of evidence as set forth in Tariff, Part VII, Subpart D, section 311(A)(2)(a) through (m) above was submitted, Transmission Provider will begin the deficiency review of the elements set forth in Tariff, Part VII, Subpart D, section 311(A)(2)(a) through (m) above, as follows:
 - (i) Transmission Provider will exercise Reasonable Efforts to inform Project Developer or Eligible

Customer of deficiencies within 10 Business Days after the close of Decision Point I.

- (ii) Project Developer or Eligible Customer then has five Business Days to respond to Transmission Provider's deficiency determination.
- (iii) Transmission Provider then will exercise Reasonable Efforts to review Project Developer's or Eligible Customer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or proceed to a final interconnection related agreement (from Tariff, Part IX). The final interconnection related agreement shall be negotiated and issued in accordance with the rules set forth in Tariff, Part VII, Subpart D, section 314.

B. New Service Request Withdraw or Termination at Decision Point II

1. A Project Developer or Eligible Customer may withdraw its New Service Request during Decision Point II. If the Project Developer or Eligible Customer elects to withdraw its New Service Request during Decision Point II, the Transmission Provider must receive before the close of the Decision Point II Phase written notification from the Project Developer or Eligible Customer of Project Developer's or Eligible Customer's decision to withdraw its New Service Request.
2. Transmission Provider may deem a New Service Request terminated and withdrawn for failing to meet any of the Decision Point II requirements, as set forth in this Tariff, Part VII, Subpart D, section 311.
3. If a New Service Request is either withdrawn or deemed terminated and withdrawn, it will be removed from the relevant Cycle, and Readiness Deposits and Study Deposits will be disbursed as follows:
 - a. For Readiness Deposits:
 - i. At the conclusion of Transmission Provider's deficiency review for Decision Point II, refund to Project Developer or Eligible Customer 100 percent of Readiness Deposit No. 2 paid by the Project Developer or Eligible Customer during Decision Point I;
 - ii. At the conclusion of the Cycle, refund to Project Developer or Eligible Customer up to 100 percent of Readiness Deposit No. 1 pursuant to Tariff, Part VII, Subpart A, section 301(A)(3).
 - b. For Study Deposits:
 - i. At the conclusion of Transmission Provider's deficiency review for Decision Point II, refund to the Project Developer or Eligible

Customer up to 90 percent of its Study Deposit submitted with its New Service Request during the Application Phase, less any actual costs.

- c. Adverse Study Impact Calculation. Notwithstanding the refund provisions in Tariff, Part VII, Subpart D, section 311(B)(3)(a) and (b)(i), Transmission Provider shall refund to Project Developer or Eligible Customer the cumulative Readiness Deposit amounts paid by Project Developer or Eligible Customer at the Application Phase and at the Decision Point I Phase if the Project Developer's Network Upgrade cost from Phase I to Phase II:
 - i. increases overall by 25 percent or more; and
 - ii. increases by more than \$10,000 per MW.

Network Upgrade costs shall include costs identified in Affected System studies in their respective phases.

4. New Service Request Modification Requests at Decision Point II

- a. Project Developer or Eligible Customer may not request a modification that is not expressly allowed. To the extent Project Developer or Eligible Customer desires a modification that is not expressly allowed, Project Developer or Eligible Customer must withdraw its New Service Request and resubmit the New Service Request with the proposed modification in a subsequent Cycle.
- b. Reductions in Maximum Facility Output and/or Capacity Interconnection Rights. Project Developer may reduce the previously requested New Service Request Maximum Facility Output and/or Capacity Interconnection Rights values, up to 10 percent of the values studied in Phase II.
- c. Fuel Changes. The fuel type specified in the New Service Request may not be changed or modified in any way for any reason, except that for New Service Requests that involve multiple fuel types, removal of a fuel type through these reduction rules will not constitute a fuel type change.
- d. Point of Interconnection. The Point of Interconnection may not be changed or modified in any way for any reason at this point in the Cycle process.
- e. Generating Facility or Merchant Transmission Facility Site Changes. Project Developer may pursue changes during this time, however, demonstration of Site Control is not required during Decision Point II. Any changes made to Site Control during Decision Point II will be subject to and evaluated consistent with the modification requirements at Decision Point III.~~Project Developer may specify a change to the project Site only if the Project Developer satisfied the requirements for Site Control for both (i) the initial Site proposed in the New Service Request Application and~~

~~the newly proposed Site; and (ii) the initial Site and the proposed Site are adjacent parcels. Such Site Control is subject to the verification procedures set forth in Tariff, Part VII, Subpart D, section 313.~~

f. Equipment Changes

During Decision Point II, Project Developer is limited to modifying its New Service Request to Permissible Technological Advancement changes only. Project Developer shall submit machine modeling data as specified in the PJM Manuals associated with the Permissible Technological Advancement before the close of Decision Point II.

Tariff, Part VII, Subpart D, section 313
Decision Point III

- A. Decision Point III shall commence on the first Business Day immediately following the end of Phase II, and shall run concurrently with the Final Agreement Negotiation Phase. New Service Requests that are studied in Phase II will enter Decision Point III. Before the close of Decision Point III, Project Developer or Eligible Customer shall choose either to remain in the Cycle subject to the terms set forth below, or to withdraw its New Service Request.
1. Transmission Provider must receive from the Project Developer or Eligible Customer all of the following required elements before the close of Decision Point III for a New Service Request to remain in the Cycle and proceed through the Final Agreement Negotiation Phase as set forth below:
 - a. Security
 - i. Security shall be calculated for New Service Requests based upon Network Upgrades costs allocated pursuant to the Phase III System Impact Study Results.
 - b. Notification in writing that Project Developer or Eligible Customer elects to proceed to a final agreement with respect to its New Service Request
 - c. Project Developers must present evidence of Site Control that is in accordance with the Site Control rules set forth above in Tariff, Part VII, Subpart A, section 302, and is also in accordance with the following additional specifications:
 - i. Generating Facility or Merchant Transmission Facility Site Control evidence for an additional one-year term beginning from last day of the relevant Cycle, Phase III.
 - (a) Such Site Control evidence shall ~~be identical to the Generating Facility or Merchant Transmission Facility Site Control evidence submitted for a New Service Request in the Application Phase, and shall~~ continue to cover 100 percent of the Generating Facility or Merchant Transmission Facility Site, including the location of the high-voltage side of the Generating Facility's main power transformer(s). Any modifications to Site Control must adhere to Tariff, Part VII, Subpart D, section 313(C) (New Service Request Modification Requests at Decision Point III).
 - ii. Interconnection Facilities (to the Point of Interconnection) Site Control evidence for an additional one-year term beginning from the last day of the relevant Cycle, Phase III.

- (a) Such Site Control evidence shall cover 100 percent of the linear distance for the identified required Interconnection Facilities associated with a New Service Request.
 - iii. Interconnection Switchyard, if applicable, Site Control evidence for an additional one-year term beginning from the last day of the relevant Cycle, Phase III.
 - (a) Such Site Control evidence shall cover 100 percent of the acreage required for the identified required Interconnection Switchyard associated with a New Service Request.
 - iv. If Project Developer fails to produce all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with Tariff, Part VII, Subpart D, section 313(A)(1)(c)(i), (ii) and (iii) above, then Project Developer must provide evidence acceptable to Transmission Provider demonstrating that Project Developer is in negotiations with appropriate entities to meet the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with Tariff, Part VII, Subpart D, section 313(A)(1)(c)(i), (ii) and (iii) above.
 - (a) If Transmission Provider determines that the evidence of such negotiations is acceptable, then Transmission Provider shall add a condition precedent in the New Service Request final interconnection related agreement (from Tariff, Part IX) requiring that within 180 days from the effective date of such final agreement, all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with Tariff, Part VII, Subpart D, section 313(A)(1)(c)(i), (ii) and (iii) above, shall be met or, otherwise, such agreement shall automatically be deemed terminated and cancelled, and the related New Service Request shall automatically be deemed terminated and withdrawn from the Cycle.
 - (i) Such condition precedent shall not be extended under any circumstances for any reason.
- d. For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid interconnection request with the adjacent Control Area(s) in which it is interconnecting. Project Developer shall maintain its queue position(s) with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its queue position(s) with such adjacent Control Area(s)

throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn.

- e. Project Developer or Eligible Customer must provide evidence that it has: (i) entered a fuel delivery agreement and water agreement, if necessary, and that it controls any necessary rights-of-way for fuel and water interconnections; (ii) obtained any necessary local, county, and state site permits; and (iii) signed a memorandum of understanding for the acquisition of major equipment. If Project Developer or Eligible Customer does not satisfy these requirements, these requirements can be addressed through a milestone in the applicable interconnection-related service agreement entered into pursuant to Tariff, Part IX.
- f. For state-level, non-jurisdictional interconnection projects, evidence of a fully executed Interconnection Agreement with the applicable entity.
- g. If Project Developer or Eligible Customer fails to submit all of the criteria in Tariff, Part VII, Subpart D, section 313(A)(1)(a) through (f) above (noting the exception provided for Site Control), before the close of the Decision Point III Phase, Project Developer's or Eligible Customer's New Service Request shall be deemed terminated and withdrawn.

B. If Project Developer or Eligible Customer submits all elements in Tariff, Part VII, Subpart D, section 313(A)(1)(a) through (f) above, then, at the close of the Decision Point III, Transmission Provider will begin the deficiency review of the elements set forth in Tariff, Part VII, Subpart D, section 313(A)(1)(a) through (f) above, as follows:

- 1. Transmission Provider will exercise Reasonable Efforts to inform Project Developer or Eligible Customer of deficiencies within 10 Business Days after the close of Decision Point III.
- 2. Project Developer or Eligible Customer then has five Business Days to respond to Transmission Provider's deficiency determination.
- 3. Transmission Provider then will exercise Reasonable Efforts to review Project Developer's or Eligible Customer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or proceed to the Final Agreement Negotiation Phase.

Transmission Provider's review of the above required elements may run co-extensively with the Final Agreement Negotiation Phase.

- 4. If the New Service Request is deemed terminated and withdrawn by the Transmission Provider, then Transmission Provider shall:
 - a. remove the withdrawn New Service Request from the Cycle and terminate the New Service Request;

- b. Readiness Deposits will be treated pursuant to Tariff, Part VII, Subpart A, section 301(A)(3).
 - c. At the conclusion of Transmission Provider's deficiency review for Decision Point III, refund to the Project Developer or Eligible Customer up to 90 percent of its Study Deposit submitted with its New Service Request during the Application Phase, less any actual costs.
- 5. A Project Developer or Eligible Customer may withdraw its New Service Request during Decision Point III. If the Project Developer or Eligible Customer elects to withdraw its New Service Request during Decision Point III, the Transmission Provider must receive before the close of Decision Point III written notification from the Project Developer or Eligible Customer of Project Developer's or Eligible Customer's decision to withdraw its New Service Request. Following receipt of such written notification from the Project Developer or Eligible Customer, the Transmission Provider shall:
 - a. remove the withdrawn New Service Request from the Cycle and terminate the New Service Request;
 - b. Readiness Deposits will be treated pursuant to Tariff, Part VII, Subpart A, section 301(A)(3).
 - c. At the conclusion of Transmission Provider's deficiency review for Decision Point III, refund to the Project Developer or Eligible Customer up to 90 percent of its Study Deposit submitted with its New Service Request during the Application Phase, less any actual costs.
 - d. Adverse Study Impact Calculation. Notwithstanding the refund provisions in Tariff, Part VII, Subpart D, sections 313(B)(4)(b) and (c) and 313(B)(5)(b), Transmission Provider shall refund to Project Developer or Eligible Customer the cumulative Readiness Deposit amounts paid by Project Developer or Eligible Customer if the Project Developer's or Eligible Customer's Network Upgrade cost from Phase II to Phase III:
 - i. increases overall by 35 percent or more; and
 - ii. increased by more than \$25,000 per MW.

Network Upgrade costs shall include costs identified in Affected System studies in their respective phases.

C. New Service Request Modification Requests at Decision Point III

New Service Requests may not be changed or modified in any way for any reason during Decision Point III except as permitted below. A New Service Request must be withdrawn and resubmitted in a subsequent Cycle to the extent a Project Developer or Eligible Customer wants to make any changes to such New Service Request at this point in the Cycle process.

Project Developer may specify a change to the project Site that was previously submitted in Decision Point I only if:

1. The initial Site (as defined from Decision Point I) and the proposed Site are adjacent parcels or evidence of easements are provided between locations;
2. No modification to previously submitted parcels for Interconnection Facilities or Interconnection Switchyard is permitted if such modification affects issued System Impact Studies (I, II, and III) and Facilities Studies; and
3. Such Site Control is subject to the verification procedures set forth in Tariff, Part VII, Subpart D, section 313(A)(1)(c).

Demonstration of Site Control as to parcels submitted during Decision Point I that are no longer utilized in the Site is not required.

Tariff, Part VIII, Subpart C, section 406
Decision Point I

A. Requirements

The Decision Point I shall commence on the first Business Day immediately following the end of Phase I. New Service Requests that are studied in Phase I will enter Decision Point I. Before the close of the Decision Point I, Project Developer or Eligible Customer shall choose either to remain in the Cycle subject to the terms set forth below, or to withdraw its New Service Request.

1. For a New Service Request to remain in the Cycle, it must either proceed as set forth immediately below, or, if Transmission Provider determines a New Service Request qualifies to accelerate to a final interconnection related agreement (from Tariff, Part IX), such New Service Request must meet the requirements set forth below in Tariff, Part VIII, Subpart C, section 406(A)(2).
 - a. For a New Service Request that is not otherwise eligible to accelerate to a final interconnection related agreement (from Tariff, Part IX) to remain in the Cycle, Transmission Provider must receive from the Project Developer or Eligible Customer all of the following required elements before the close of Decision Point I:
 - i. The applicable Readiness Deposit No. 2
 - (a) The Decision Point I Readiness Deposit No. 2 is to be paid cumulatively, i.e., in addition to the Readiness Deposit No. 1 that was submitted with the New Service Request at the Application Phase. The Decision Point I Readiness Deposit No. 2 will be calculated by the Transmission Provider during Phase I, and shall not be reduced or refunded based upon subsequent New Service Request modifications or cost allocation changes.
 - (b) At Decision Point I, the Readiness Deposit No. 2 required shall be an amount equal to:
 - (i) the greater of (i) 10 percent of the cost allocation for the Network Upgrades as calculated in Phase I or (ii) the Readiness Deposit No. 1 paid by the Project Developer with its New Service Request during the Application Phase; minus
 - (ii) the Readiness Deposit No. 1 amount paid by the Project Developer with its New Service Request during the Application Phase

- (c) The Readiness Deposit No. 2 amount due can be zero, but cannot be a negative number (i.e., there will not be any refunded amounts associated with Readiness Deposit No. 2).
- b. Project Developers must provide evidence of Site Control that is in accordance with the Site Control rules set forth above in Tariff, Part VIII, Subpart A, section 402, and is also in accordance with the following additional specifications:
 - i. Generating Facility or Merchant Transmission Facility Site Control evidence for an additional one-year term beginning from last day of the relevant Cycle, Phase I.
 - (a) Such Site Control evidence shall ~~be identical to the Generating Facility or Merchant Transmission Facility Site Control evidence submitted for a New Service Request in the Application Phase, and shall~~ continue to cover 100 percent of the Generating Facility or Merchant Transmission Facility Site, including the location of the high-voltage side of the Generating Facility's main power transformer(s). Any modifications to Site Control must adhere to Tariff, Part VIII, Subpart C, section 406(B)(5) (Generating Facility or Merchant Transmission Facility Site Changes).
 - (b) Interconnection Facilities (to the Point of Interconnection) Site Control evidence for a one-year term beginning from the last day of the relevant Cycle, Phase I.
 - (i) Such Site Control evidence shall cover 50 percent of the linear distance for the identified required Interconnection Facilities associated with a New Service Request.
 - (c) If applicable, Interconnection Switchyard Site Control evidence for a one-year term beginning from the last day of the relevant Cycle, Phase I.
 - (i) Such Site Control evidence shall cover 50 percent of the acreage required for the identified required Interconnection Switchyard facilities associated with a New Service Request.
- c. For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the

Transmission Provider that Project Developer has submitted and maintained a valid corresponding interconnection request with any required adjacent Control Area(s) in which it is interconnecting or is required to interconnect with as part of such Transmission Interconnection Request. Project Developer shall maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn, and will be removed from the Cycle.

- d. Evidence of air and water permits (if applicable)
- e. For state-level, non-jurisdictional interconnection projects, evidence of participation in the state-level interconnection process with the applicable entity.
- f. Submission of New Service Request data for Phase II System Impact Study.
- g. If Project Developer or Eligible Customer fails to submit all of the criteria in Tariff, Part VIII, Subpart C, section 406(A)(1)(a) through (f) above, before the close of the Decision Point I Phase, Project Developer's or Eligible Customer's New Service Request shall be deemed terminated and withdrawn.
- h. If Project Developer or Eligible Customer submits all elements in Tariff, Part VIII, Subpart C, section 406(A)(1)(a) through (f) above, then, at the close of the Decision Point I, Transmission Provider will begin the deficiency review of the elements set forth in Tariff, Part VIII, Subpart C, section 406(A)(1)(b) through (e) above, as follows:
 - i. Transmission Provider will exercise Reasonable Efforts to inform Project Developer or Eligible Customer of deficiencies within 10 Business Days after the close of Decision Point I.
 - ii. Project Developer or Eligible Customer then has five Business Days to respond to Transmission Provider's deficiency determination.
 - iii. Transmission Provider then will exercise Reasonable Efforts to review Project Developer's or Eligible Customer's response within 10 Business Days, and then will either terminate and withdraw the

New Service Request, or include the New Service Request in Phase II.

- iv. Transmission Provider's review of the above required elements may run co-extensively with Phase II.
2. Acceleration at Decision Point I. Only New Service Requests that have no cost allocation for Network Upgrades and do not require further studies are eligible for acceleration. Upon completion of the Phase I System Impact Study, Transmission Provider may accelerate treatment of such New Service Request.
- a. For (i) a jurisdictional project that qualifies to accelerate, or (ii) a non-jurisdictional project that qualifies to accelerate and which retains a fully executed state level interconnection agreement with the applicable entity, to remain in the Cycle, Transmission Provider must receive from the Project Developer all of the following required elements before the close of Decision Point I:
 - i. Security
 - (a) Security shall be calculated for New Service Requests based upon Network Upgrades costs allocated pursuant to the Phase I System Impact Study Results.
 - ii. Notification in writing that Project Developer or Eligible Customer elects to proceed to a final agreement with respect to its New Service Request
 - iii. Project Developer must provide evidence of Site Control that is in accordance with the Site Control rules set forth above in Tariff, Part VIII, Subpart A, section 402, and is also in accordance with the following additional specifications:
 - (a) Generating Facility or Merchant Transmission Facility Site Control evidence for an additional three-year term beginning from last day of the relevant Cycle, Phase I.
 - (i) Such Site Control evidence shall be identical to the Generating Facility or Merchant Transmission Facility Site Control evidence submitted for a New Service Request in the Application Phase, and shall continue to cover 100 percent of the Generating Facility Site, including the location of the high-voltage side of the Generating Facility's main power transformer(s).

- (b) Interconnection Facilities (to the Point of Interconnection) Site Control evidence for a three-year term beginning from the last day of the relevant Cycle, Phase I.
 - (i) Such Site Control evidence shall cover 100 percent of the linear distance for the identified required Interconnection Facilities associated with a New Service Request.
 - (c) If applicable, Interconnection Switchyard Site Control evidence for a three-year term beginning from the last day of the relevant Cycle, Phase I.
 - (i) Such Site Control evidence shall cover 100 percent of the acreage required identified required Interconnection Switchyard associated with a New Service Request.
- iv. If Project Developer fails to produce all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402 and in accordance with Tariff, Part VIII, Subpart C, section 406(A)(2)(a)(i), (ii) and (iii) above, then Project Developer must provide evidence acceptable to Transmission Provider demonstrating that Project Developer is in negotiations with appropriate entities to meet the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402, and in accordance with Tariff, Part VIII, Subpart C, section 406(A)(2)(a)(i), (ii) and (iii) above.
 - (a) If Transmission Provider determines that the evidence of such negotiations is acceptable, then Transmission Provider shall add a condition precedent in the New Service Request final interconnection related agreement (from Tariff, Part IX) requiring that within 180 days from the effective date of such final agreement, all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402, and in accordance with Tariff, Part VIII, Subpart C, section 406(A)(2)(a)(i), (ii) and (iii) above, shall be met or, otherwise, such agreement shall automatically be deemed terminated and cancelled, and the related New Service Request shall automatically be deemed terminated and withdrawn from the Cycle.
 - (1) Such condition precedent shall not be extended under any circumstances for any reason.

- b. Project Developer must provide evidence that it has: (i) entered a fuel delivery agreement and water agreement, if necessary, and that it controls any necessary rights-of-way for fuel and water interconnections; (ii) obtained any necessary local, county, and state site permits; and (iii) signed a memorandum of understanding for the acquisition of major equipment.
- c. For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid corresponding interconnection request with any required adjacent Control Area(s) in which it is interconnecting or is required to interconnect with as part of such Transmission Interconnection Request. Project Developer shall maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn, and will be removed from the Cycle.
- d. For a non-jurisdictional project, evidence of a fully executed state level interconnection agreement with the applicable entity.
- e. If Project Developer or Eligible Customer fails to submit all of the criteria in Tariff, Part VIII, Subpart C, section 406(A)(2)(a) through (d) above (noting the exception provided for Site Control), before the close of the Decision Point I Phase, Project Developer's or Eligible Customer's New Service Request shall be deemed terminated and withdrawn.
- f. If Project Developer or Eligible Customer subject to Acceleration at Decision Point I submits all elements in Tariff, Part VIII, Subpart C, section 406(A)(2)(a) through (d) above, then, at the close of the Decision Point I, Transmission Provider will begin the deficiency review of the elements set forth in Tariff, Part VIII, Subpart C, section 406(A)(2)(a) through (d) above, as follows:
 - i. Transmission Provider will exercise Reasonable Efforts to inform Project Developer or Eligible Customer of deficiencies within 10 Business Days after the close of Decision Point I.

- ii. Project Developer or Eligible Customer then has five Business Days to respond to Transmission Provider's deficiency determination.
 - iii. Transmission Provider then will exercise Reasonable Efforts to review Project Developer's or Eligible Customer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or proceed to a final interconnection related agreement (from Tariff, Part IX). The final interconnection related agreement shall be negotiated and issued in accordance with the rules set forth in Tariff, Part VIII, Subpart D, section 411.
- 3. For a New Service Request for a non-jurisdictional project that qualifies to accelerate to a final interconnection related agreement (from Tariff, Part IX) but which has not yet secured a fully executed state level interconnection agreement with the applicable entity before the close of Decision Point I to remain in the Cycle, Transmission Provider must receive from the Project Developer all of the following required elements, before the close of Decision Point III:
 - a. Security. Security shall be calculated for New Service Requests based upon based upon Network Upgrades costs allocated pursuant to the Phase I System Impact Study Results.
 - b. Notification in writing that Project Developer elects to proceed to a final agreement with respect to its New Service Request
 - c. Evidence of Site Control that is in accordance with the Site Control rules set forth above in Tariff, Part VIII, Subpart A, section 402 and is also in accordance with the following additional specifications:
 - i. Generating Facility Site Control evidence is required to be maintained for an additional term beginning from last day of the relevant Cycle, Phase I that extends through full execution date of the relevant state level interconnection agreement with the applicable entity, plus three years beyond such full execution date of the relevant state level interconnection agreement with the applicable entity.
 - (a) Such Site Control evidence shall be identical to the Generating Facility Site Control evidence submitted for a New Service Request in the Application Phase, and shall continue to cover 100 percent of the Generating Facility Site, including the location of the high-voltage side of the Generating Facility's main power transformer(s).

- ii. Interconnection Facilities (to the Point of Interconnection) Site Control evidence is required to be maintained for a term beginning from last day of the relevant Cycle, Phase I that extends through full execution date of the relevant state level interconnection agreement with the applicable entity, plus three years beyond such full execution date of the relevant state level interconnection agreement with the applicable entity.
 - (a) Such Site Control evidence shall cover 100 percent of the linear distance for the identified required Interconnection Facilities associated with a New Service Request.
- iii. If applicable, Interconnection Switchyard Site Control evidence is required to be maintained for a term beginning from last day of the relevant Cycle, Phase I that extends through full execution date of the relevant state level interconnection agreement with the applicable entity, plus three years beyond such full execution date of the relevant state level interconnection agreement with the applicable entity.
 - (a) Such Site Control evidence shall cover 100 percent of the acreage required for the identified required Interconnection Switchyard associated with a New Service Request.
- iv. PJM may request evidence of the required Site Control at any point beginning from last day of the relevant Cycle, Phase I through a date that extends three years beyond the full execution date of the relevant state level interconnection agreement with the applicable entity
- v. If Project Developer fails to produce all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402 and in accordance with Tariff, Part VIII, section 406(A)(3)(c)(i), (ii) and (iii) above, then Project Developer must provide evidence acceptable to Transmission Provider demonstrating that Project Developer is in negotiations with appropriate entities to meet the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402, and in accordance with Tariff, Part VIII, section 406(A)(3)(c)(i), (ii) and (iii) above.
 - (a) If Transmission Provider determines that the evidence of such negotiations is acceptable, then Transmission Provider shall add a condition precedent in the New Service Request final interconnection related agreement (from Tariff, Part IX) requiring that within 180 days from the effective date

of such final agreement, all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402, and in accordance with Tariff, Part VIII, section 406(A)(3)(c)(i), (ii) and (iii) above, shall be met or, otherwise, such agreement shall automatically be deemed terminated and cancelled, and the related New Service Request shall automatically be deemed terminated and withdrawn from the Cycle.

- (i) Such condition precedent shall not be extended under any circumstances for any reason.
- d. For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid corresponding interconnection request with any required adjacent Control Area(s) in which it is interconnecting or is required to interconnect with as part of such Transmission Interconnection Request. Project Developer shall maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn, and will be removed from the Cycle
- e. Evidence of a fully executed state level Interconnection Agreement with the applicable entity
- f. Project Developer must provide evidence that it has: (i) entered a fuel delivery agreement and water agreement, if necessary, and that it controls any necessary rights-of-way for fuel and water interconnections; (ii) obtained any necessary local, county, and state site permits; and (iii) signed a memorandum of understanding for the acquisition of major equipment.
- g. If Project Developer fails to submit all of the criteria in Tariff, Part VIII, section 406(A)(3)(a) through (f) above (noting the exception provided for Site Control), before the close of the Decision Point III Phase, Project Developer's New Service Request shall be deemed terminated and withdrawn.

- h. When Project Developer meets all of the requirements above, then, at the point at which the last required piece of evidence as set forth in Tariff, Part VIII, section 406(A)(3)(a) through (f) above was submitted, Transmission Provider will begin the deficiency review of the elements set forth in Tariff, Part VIII, section 406(A)(3)(a) through (f) above, as follows:
 - i. Transmission Provider will exercise Reasonable Efforts to inform Project Developer of deficiencies within 10 Business Days after the close of Decision Point I.
 - ii. Project Developer then has five Business Days to respond to Transmission Provider's deficiency determination.
 - iii. Transmission Provider then will exercise Reasonable Efforts to review Project Developer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or proceed to a final interconnection related agreement (from Tariff, Part IX). The final interconnection related agreement shall be negotiated and issued in accordance with the rules set forth in Tariff, Part VIII, Subpart D, section 411.

4. New Service Request Withdraw or Termination at Decision Point I

- a. A Project Developer or Eligible Customer may withdraw its New Service Request during Decision Point I. If the Project Developer or Eligible Customer elects to withdraw its New Service Request during Decision Point I, the Transmission Provider must receive before the close of the Decision Point I Phase written notification from the Project Developer or Eligible Customer of Project Developer's or Eligible Customer's decision to withdraw its New Service Request.
- b. Transmission Provider may deem a New Service Request terminated and withdrawn for failing to meet any of the Decision Point I requirements, as set forth in this Tariff, Part VIII, Subpart C, section 406.
- c. If a New Service Request is either withdrawn or deemed terminated and withdrawn, it will be removed from the relevant Cycle, and Readiness Deposits and Study Deposits will be disbursed as follows:
 - i. For Readiness Deposits:
 - (a) At the conclusion of Transmission Provider's deficiency review for Decision Point I or upon voluntary withdrawal of a New Service Request, refund to the Project Developer

or Eligible Customer 50 percent of Readiness Deposit No. 1 paid by the Project Developer or Eligible Customer with its New Service Request during the Application Phase, and 100 percent of Readiness Deposit No. 2 paid by the Project Developer or Eligible Customer during this Decision Point I; and

(b) At the conclusion of the Cycle, refund to Project Developer or Eligible Customer up to 50 percent of Readiness Deposit No. 1 pursuant to Tariff, Part VIII, Subpart A, section 401(D)(2)(c).

ii. At the conclusion of Transmission Provider's deficiency review for Decision Point I, refund to the Project Developer or Eligible Customer up to 90 percent of its Study Deposit submitted with its New Service Request during the Application Phase, less any actual costs.

B. New Service Request Modification Requests at Decision Point I

1. Project Developer or Eligible Customer may not request a modification that is not expressly allowed. To the extent Project Developer or Eligible Customer desires a modification that is not expressly allowed, Project Developer or Eligible Customer must withdraw its New Service Request and resubmit the New Service Request with the proposed modification in a subsequent Cycle.
2. Reductions in Maximum Facility Output and/or Capacity Interconnection Rights. Project Developer may reduce the previously requested New Service Request Maximum Facility Output and/or Capacity Interconnection Rights values, up to 100 percent of the requested amount
3. Fuel Changes. The fuel type specified in the New Service Request may not be changed or modified in any way for any reason, except that for New Service Requests that involve multiple fuel types, removal of a fuel type through these reduction rules will not constitute a fuel type change.
4. Point of Interconnection.
 - a. The Point of Interconnection must be finalized before the close of the Decision Point I Phase.
 - i. Project Developer may only move the location of the Point of Interconnection 1) along the same segment of transmission line, as defined by the two electrical nodes located on the transmission line as modeled in the Phase I Base Case Data, or 2) move the location of the Point of Interconnection to a different breaker position

within the same substation, subject to Transmission Owner review and approval. Project Developer may not modify its Point of Interconnection to/from a transmission line from/to a direct connection into a substation.

- (a) Project Developer must notify Transmission Provider in writing of any changes to its Point of Interconnection prior to the close of Decision Point I. No modifications to the Point of Interconnection will be accepted for any reason after the close of Decision Point I.

5. Generating Facility or Merchant Transmission Facility Site Changes

Project Developer may specify a change to the project Site that was previously submitted in the Application Phase only if:

- a. ~~the Project Developer satisfied the requirements for Site Control for both the initial Site proposed in the New Service Request Application and the newly proposed Site; and~~
- b. ~~the initial Site and the proposed Site are adjacent parcels~~ or evidence of easements between locations is provided; and
- ~~eb.~~ Such Site Control is subject to the verification procedures set forth in Tariff, Subpart C, sections 406(A)(1) and 406(A)(3).

Demonstration of Site Control as to parcels submitted in the Application Phase that are no longer utilized in the Site is not required.

6. Equipment Changes

- a. During Decision Point I, Project Developer may modify its Interconnection Request for updated equipment data. Project Developer shall submit machine modeling data as specified in the PJM Manuals before the close of Decision Point I.

Tariff, Part VIII, Subpart C, section 408
Decision Point II

A. Requirements

Decision Point II shall commence on the first Business Day immediately following the end of Phase II. New Service Requests that are studied in Phase II will enter Decision Point II. Before the close of Decision Point II, Project Developer or Eligible Customer shall choose either to remain in the Cycle subject to the terms set forth below, or to withdraw its New Service Request.

1. For a New Service Request to remain in the Cycle, it must either proceed as set forth immediately below, or, if Transmission Provider determines a New Service Request qualifies to accelerate to a final interconnection related agreement (from Tariff, Part IX), such new Service Request must meet the requirements set forth below in Tariff, Part VIII, Subpart C, section 408(A)(2)(d).
 - a. For a New Service Request that is not otherwise eligible to accelerate to a final interconnection related agreement (from Tariff, Part IX) to remain in the Cycle, Transmission Provider must receive from the Project Developer or Eligible Customer all of the following required elements before the close of Decision Point II:
 - b. The applicable Readiness Deposit No. 3
 - i. The Decision Point II Readiness Deposit No. 3 to be paid cumulatively, i.e., in addition to the Readiness Deposit No. 1 that was submitted with the New Service Request at the Application Phase, and the Readiness Deposit No. 2 that was submitted at Decision Point I. The Decision Point II Readiness Deposit No. 3 will be calculated by the Transmission Provider during Phase II, and shall not be reduced or refunded based upon subsequent New Service Request modifications or cost allocation changes.
 - ii. The Decision Point II Readiness Deposit No. 3 required amount shall be an amount equal to the greater of:
 - (a) (i) 20 percent of the cost allocation for the Network Upgrades as calculated in Phase II or (ii) the Readiness Deposit No. 1 paid by the Project Developer or Eligible Customer with its New Service Request during the Application Phase plus the Readiness Deposit No. 2 paid by the Project Developer or Eligible Customer with its New Service Request during Decision Point I; minus

- (b) the Readiness Deposit No. 1 amount paid by the Project Developer with its New Service Request during the Application Phase, plus the Readiness Deposit No. 2 amount paid by the Project Developer or Eligible Customer with its New Service Request during Decision Point I.
- iii. The Readiness Deposit No. 3 amount due can be zero, but cannot be a negative number (i.e., there will not be any refunded amounts associated with Readiness Deposit No. 3).
- c. Notification in writing that Project Developer or Eligible Customer elects to exercise the Option to Build for Stand Alone Network Upgrades identified with respect to its New Service Request.
- d. Evidence of Site Control. There are no Site Control evidentiary requirements at Decision Point II.
- e. Evidence of air and water permits (if applicable).
- f. For state-level, non-jurisdictional interconnection projects, evidence of participation in the state-level interconnection process with the applicable entity.
- g. Submission of New Service Request Data for Phase III System Impact Study data.
- h. Evidence that Project Developer or Eligible Customer entered into a fully executed Affected System Study Agreement, if applicable to its New Service Request by the later of Decision Point II or 60 days after notification from Transmission Provider that an Affected System Study Agreement is required.
- i. For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid interconnection request with the adjacent Control Area(s) in which it is interconnecting. Project Developer shall maintain its queue position(s) with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its queue position(s) with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn.

- j. If Project Developer or Eligible Customer fails to submit all of the criteria in Tariff, Part VIII, Subpart C, section 408(A)(1)(a) through (i) above, before the close of Decision Point II, Project Developer's or Eligible Customer's New Service Request shall be deemed terminated and withdrawn.
2. If Project Developer or Eligible Customer submits all elements in Tariff, Part VIII, Subpart C, section 408(A)(1)(a) through (i) above, then, at the close of the Decision Point II, Transmission Provider will begin the deficiency review of the elements set forth in Tariff, Part VIII, Subpart C, section 408(A)(1)(a) through (i) above, as follows:
- a. Transmission Provider will exercise Reasonable Efforts to inform Project Developer or Eligible Customer of deficiencies within 10 Business Days after the close of Decision Point II.
 - b. Project Developer or Eligible Customer then has five Business Days to respond to Transmission Provider's deficiency determination.
 - c. Transmission Provider then will exercise Reasonable Efforts to review Project Developer's or Eligible Customer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or include the New Service Request in Phase III.
 - i. Transmission Provider's review of the above required elements may run co-extensively with Phase III.
 - d. Acceleration at Decision Point II. Only New Service Requests that have no cost allocation for Network Upgrades and do not require further studies are eligible for acceleration. Upon completion of the Phase II System Impact Study, Transmission Provider may accelerate treatment of such New Service Request.
 - i. For (i) a jurisdictional project that qualifies to accelerate, or (ii) a non-jurisdictional project that qualifies to accelerate and which retains a fully executed state level interconnection agreement with the applicable entity, to remain in the Cycle, Transmission Provider must receive from the Project Developer or Eligible Customer all of the following required elements before the close of Decision Point II:
 - (a) Security
 - (i) Security shall be calculated for New Service Requests based upon based upon Network Upgrades

costs allocated pursuant to the Phase II System Impact Study Results.

- (b) Notification in writing that Project Developer or Eligible Customer elects to proceed to a final agreement with respect to its New Service Request
- (c) Evidence of Site Control that is in accordance with the Site Control rules set forth above in Tariff, Part VIII, Subpart A, section 402, and is also in accordance with the following additional specifications:
 - (i) Generating Facility or Merchant Transmission Facility Site Control evidence for an additional three-year term beginning from last day of the relevant Cycle, Phase II.
 - (1) Such Site Control evidence shall be identical to the Generating Facility or Merchant Transmission Facility Site Control evidence submitted for a New Service Request in the Application Phase, and shall continue to cover 100 percent of the Generating Facility Site, including the location of the high-voltage side of the Generating Facility's main power transformer(s).
 - (ii) Interconnection Facilities (to the Point of Interconnection) Site Control evidence for a three-year term beginning from the last day of the relevant Cycle, Phase II.
 - (1) Such Site Control evidence shall cover 100 percent of the linear distance for identified required Interconnection Facilities associated with a New Service Request.
 - (iii) If applicable, Interconnection Switchyard Site Control evidence for a three-year term beginning from the last day of the relevant Cycle, Phase II.
 - (1) Such Site Control evidence shall cover 100 percent of the acreage required for the identified required Interconnection Switchyard associated with a New Service Request.

- e. If Project Developer fails to produce all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402, and in accordance with Tariff, Part VIII, Subpart C, section 408(A)(2)(d)(i)(c)(i), (ii) and (iii) above, then Project Developer must provide evidence acceptable to Transmission Provider demonstrating that Project Developer is in negotiations with appropriate entities to meet the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402 and in accordance with Tariff, Part VIII, Subpart C, section 408(A)(2)(d)(i)(c)(i), (ii) and (iii) above.
- i. If Transmission Provider determines that the evidence of such negotiations is acceptable, then Transmission Provider shall add a condition precedent in the New Service Request final interconnection related agreement (from Tariff, Part IX) requiring that within 180 days from the effective date of such final agreement, all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402 and in accordance with Tariff, Part VIII, Subpart C, section 408(A)(2)(d)(i)(c)(i), (ii) and (iii) above, shall be met or, otherwise, such agreement shall automatically be deemed terminated and cancelled, and the related New Service Request shall automatically be deemed terminated and withdrawn from the Cycle.
 - (a) Such condition precedent shall not be extended under any circumstances for any reason.
 - (b) Project Developer must provide evidence that it has: (i) entered a fuel delivery agreement and water agreement, if necessary, and that it controls any necessary rights-of-way for fuel and water interconnections; (ii) obtained any necessary local, county, and state site permits; and (iii) signed a memorandum of understanding for the acquisition of major equipment.
 - (c) For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid corresponding interconnection request with any required adjacent Control Area(s) in which it is interconnecting or is required to interconnect with as part of such Transmission Interconnection Request. Project Developer shall maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission

Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn, and will be removed from the Cycle.

- (d) For a non-jurisdictional project, evidence of a fully executed state level interconnection agreement with the applicable entity.
- (e) If Project Developer or Eligible Customer fails to submit all of the criteria in Tariff, Part VIII, Subpart C, section 408(A)(2)(e)(i)(a) through (d) above (noting the exception provided for Site Control), before the close of Decision Point II, Project Developer's or Eligible Customer's New Service Request shall be deemed terminated and withdrawn.
- (f) If Project Developer or Eligible Customer submits all elements in Tariff, Part VIII, Subpart C, section 408(A)(2)(e)(i)(a) through (d) above, then, at the close of the Decision Point II, Transmission Provider will begin the deficiency review of the elements set forth in Tariff, Part VIII, Subpart C, section 408(A)(2)(e)(i)(a) through (d) above, as follows:
 - (i) Transmission Provider will exercise Reasonable Efforts to inform Project Developer or Eligible Customer of deficiencies within 10 Business Days after the close of Decision Point I.
 - (ii) Project Developer or Eligible Customer then has five Business Days to respond to Transmission Provider's deficiency determination.
 - (iii) Transmission Provider then will exercise Reasonable Efforts to review Project Developer's or Eligible Customer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or proceed to a final interconnection related agreement (from Tariff, Part IX). The final interconnection related agreement

shall be negotiated and issued in accordance with the rules set forth in Tariff, Part VIII, Subpart D, section 411.

- (g) For a New Service Request for a non-jurisdictional project that qualifies to accelerate to a final interconnection related agreement (from Tariff, Part IX) but which has not yet secured a fully executed state level interconnection agreement with the applicable entity before the close of Decision Point II to remain in the Cycle, Transmission Provider must receive from the Project Developer all of the following required elements, before the close of Decision Point III:
 - (h) Security. Security shall be calculated for New Service Requests based upon based upon Network Upgrades costs allocated pursuant to the Phase II System Impact Study Results.
 - (i) Notification in writing that Project Developer elects to proceed to a final agreement with respect to its New Service Request
 - (j) Evidence of Site Control that is in accordance with the Site Control rules set forth above in Tariff, Part VIII, Subpart A, section 402, and is also in accordance with the following additional specifications:
 - (i) Generating Facility Site Control evidence is required to be maintained for an additional term beginning from last day of the relevant Cycle, Phase II that extends through full execution date of the relevant state level interconnection agreement with the applicable entity, plus three years beyond such full execution date of the relevant state level interconnection agreement with the applicable entity.
 - (1) Such Site Control evidence shall be identical to the Generating Facility Site Control evidence submitted for a New Service Request in the Application Phase, and shall continue to cover 100 percent of the Generating Facility Site, including the location of the high-voltage side of the

Generating Facility's main power transformer(s).

- (ii) Interconnection Facilities (to the Point of Interconnection) Site Control evidence is required to be maintained for a term beginning from last day of the relevant Cycle, Phase II that extends through the full execution date of the relevant state level interconnection agreement with the applicable entity, plus three years beyond such full execution date of the relevant state level interconnection agreement with the applicable entity.
 - (1) Such Site Control evidence shall cover 100% percent of linear distance for the identified required Interconnection Facilities associated with a New Service Request.
- (iii) If applicable, Interconnection Switchyard Site Control evidence is required to be maintained for a term beginning from last day of the relevant Cycle, Phase II that extends through full execution date of the relevant state level interconnection agreement with the applicable entity, plus three years beyond such full execution date of the relevant state level interconnection agreement with the applicable entity.
 - (1) Such Site Control evidence shall cover 100 percent of acreage required for the identified required Interconnection Switchyard associated with a New Service Request.
- (iv) PJM may request evidence of the required Site Control at any point beginning from last day of the relevant Cycle, Phase II through a date that extends three years beyond the full execution date of the relevant state level interconnection agreement with the applicable entity
- (v) If Project Developer fails to produce all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402, and in accordance with Tariff, Part VIII, Subpart C, section 408(A)(2)(j)(i), (ii) and (iii) above, then Project Developer must provide

evidence acceptable to Transmission Provider demonstrating that Project Developer is in negotiations with appropriate entities to meet the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402, and in accordance with Tariff, Part VIII, Subpart C, section 408(A)(2)(j)(i), (ii) and (iii) above.

- (1) If Transmission Provider determines that the evidence of such negotiations is acceptable, then Transmission Provider shall add a condition precedent in the New Service Request final interconnection related agreement (from Tariff, Part IX) requiring that within 180 days from the effective date of such final agreement, all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402 and in accordance with Tariff, Part VIII, Subpart C, section 408(A)(2)(j)(i), (ii) and (iii) above, shall be met or, otherwise, such agreement shall automatically be deemed terminated and cancelled, and the related New Service Request shall automatically be deemed terminated and withdrawn from the Cycle.

- (1.a) Such condition precedent shall not be extended under any circumstances for any reason.

- (k) For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid corresponding interconnection request with any required adjacent Control Area(s) in which it is interconnecting or is required to interconnect with as part of such Transmission Interconnection Request. Project Developer shall maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process

for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn, and will be removed from the Cycle

- (l) Evidence of a fully executed state level Interconnection Agreement with the applicable entity
- (m) Project Developer must provide evidence that it has: (i) entered a fuel delivery agreement and water agreement, if necessary, and that it controls any necessary rights-of-way for fuel and water interconnections; (ii) obtained any necessary local, county, and state site permits; and (iii) signed a memorandum of understanding for the acquisition of major equipment.
- (n) If Project Developer or Eligible Customer fails to submit all of the criteria in Tariff, Part VIII, Subpart C, section 408(A)(2)(a) through (m) above (noting the exception provided for Site Control), before the close of the Decision Point III Phase, Project Developer's or Eligible Customer's New Service Request shall be deemed terminated and withdrawn.
- (o) When Project Developer or Eligible Customer meets all of the requirements above, then, at the point at which the last required piece of evidence as set forth in Tariff, Part VIII, Subpart C, section 408(A)(2)(a) through (m) above was submitted, Transmission Provider will begin the deficiency review of the elements set forth in Tariff, Part VIII, Subpart C, section 408(A)(2)(a) through (m) above, as follows:
 - (i) Transmission Provider will exercise Reasonable Efforts to inform Project Developer or Eligible Customer of deficiencies within 10 Business Days after the close of Decision Point I.
 - (ii) Project Developer or Eligible Customer then has five Business Days to respond to Transmission Provider's deficiency determination.
 - (iii) Transmission Provider then will exercise Reasonable Efforts to review Project Developer's or Eligible Customer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or proceed to a final

interconnection related agreement (from Tariff, Part IX). The final interconnection related agreement shall be negotiated and issued in accordance with the rules set forth in Tariff, Part VIII, Subpart D, section 411.

B. New Service Request Withdraw or Termination at Decision Point II

1. A Project Developer or Eligible Customer may withdraw its New Service Request during Decision Point II. If the Project Developer or Eligible Customer elects to withdraw its New Service Request during Decision Point II, the Transmission Provider must receive before the close of the Decision Point II Phase written notification from the Project Developer or Eligible Customer of Project Developer's or Eligible Customer's decision to withdraw its New Service Request.
2. Transmission Provider may deem a New Service Request terminated and withdrawn for failing to meet any of the Decision Point II requirements, as set forth in this Tariff, Part VIII, Subpart C, section 408.
3. If a New Service Request is either withdrawn or deemed terminated and withdrawn, it will be removed from the relevant Cycle, and Readiness Deposits and Study Deposits will be disbursed as follows:
 - a. For Readiness Deposits:
 - i. At the conclusion of Transmission Provider's deficiency review for Decision Point II, refund to Project Developer or Eligible Customer 100 percent of Readiness Deposit No. 2 paid by the Project Developer or Eligible Customer during Decision Point I;
 - ii. At the conclusion of the Cycle, refund to Project Developer or Eligible Customer up to 100 percent of Readiness Deposit No. 1 pursuant to Tariff, Part VIII, Subpart A, section 401(D)(2)(c).
 - b. For Study Deposits:
 - i. At the conclusion of Transmission Provider's deficiency review for Decision Point II, refund to the Project Developer or Eligible Customer up to 90 percent of its Study Deposit submitted with its New Service Request during the Application Phase, less any actual costs.
 - c. Adverse Study Impact Calculation. Notwithstanding the refund provisions in Tariff, Part VIII, Subpart C, section 408(B)(3)(a) and (b)(i), Transmission Provider shall refund to Project Developer or Eligible

Customer the cumulative Readiness Deposit amounts paid by Project Developer or Eligible Customer at the Application Phase and at the Decision Point I Phase if the Project Developer's Network Upgrade cost from Phase I to Phase II:

- i. increases overall by 25 percent or more; and
- ii. increases by more than \$10,000 per MW.

Network Upgrade costs shall include costs identified in Affected System studies in their respective phases.

4. New Service Request Modification Requests at Decision Point II

- a. Project Developer or Eligible Customer may not request a modification that is not expressly allowed. To the extent Project Developer or Eligible Customer desires a modification that is not expressly allowed, Project Developer or Eligible Customer must withdraw its New Service Request and resubmit the New Service Request with the proposed modification in a subsequent Cycle.
- b. Reductions in Maximum Facility Output and/or Capacity Interconnection Rights. Project Developer may reduce the previously requested New Service Request Maximum Facility Output and/or Capacity Interconnection Rights values, up to 10 percent of the values studied in Phase II.
- c. Fuel Changes. The fuel type specified in the New Service Request may not be changed or modified in any way for any reason, except that for New Service Requests that involve multiple fuel types, removal of a fuel type through these reduction rules will not constitute a fuel type change.
- d. Point of Interconnection. The Point of Interconnection may not be changed or modified in any way for any reason at this point in the Cycle process.
- e. Generating Facility or Merchant Transmission Facility Site Changes. Project Developer may pursue changes during this time, however, demonstration of Site Control is not required during Decision Point II. Any changes made to Site Control during Decision Point II will be subject to and evaluated consistent with the modification requirements at Decision Point III.~~Project Developer may specify a change to the project Site only if the Project Developer satisfied the requirements for Site Control for both (i) the initial Site proposed in the New Service Request Application and the newly proposed Site; and (ii) the initial Site and the proposed Site are adjacent parcels. Such Site Control is subject to the verification procedures set forth in Tariff, Part VIII, Subpart C, section 410(A)(1)(c).~~

f. Equipment Changes

During Decision Point II, Project Developer is limited to modifying its New Service Request to Permissible Technological Advancement changes only. Project Developer shall submit machine modeling data as specified in the PJM Manuals associated with the Permissible Technological Advancement before the close of Decision Point II.

Tariff, Part VIII, Subpart C, section 410
Decision Point III

- A. Decision Point III shall commence on the first Business Day immediately following the end of Phase II, and shall run concurrently with the Final Agreement Negotiation Phase. New Service Requests that are studied in Phase II will enter Decision Point III. Before the close of Decision Point III, Project Developer or Eligible Customer shall choose either to remain in the Cycle subject to the terms set forth below, or to withdraw its New Service Request.
1. Transmission Provider must receive from the Project Developer or Eligible Customer all of the following required elements before the close of Decision Point III for a New Service Request to remain in the Cycle and proceed through the Final Agreement Negotiation Phase as set forth below:
 - a. Security
 - i. Security shall be calculated for New Service Requests based upon based upon Network Upgrades costs allocated pursuant to the Phase III System Impact Study Results.
 - b. Notification in writing that Project Developer or Eligible Customer elects to proceed to a final agreement with respect to its New Service Request
 - c. Project Developers must present evidence of Site Control that is in accordance with the Site Control rules set forth above in Tariff, Part VIII, Subpart A, section 402, and is also in accordance with the following additional specifications:
 - i. Generating Facility or Merchant Transmission Facility Site Control evidence for an additional three-year term beginning from last day of the relevant Cycle, Phase III.
 - (a) Such Site Control evidence shall ~~be identical to the Generating Facility or Merchant Transmission Facility Site Control evidence submitted for a New Service Request in the Application Phase, and shall~~ continue to cover 100 percent of the Generating Facility or Merchant Transmission Facility Site, including the location of the high-voltage side of the Generating Facility's main power transformer(s). Any modifications to Site Control must adhere to Tariff, Part VIII, Subpart C, section 410(C) (New Service Request Modification Requests at Decision Point III).

- ii. Interconnection Facilities (to the Point of Interconnection) Site Control evidence for an additional three-year term beginning from the last day of the relevant Cycle, Phase III.
 - (a) Such Site Control evidence shall cover 100 percent of the linear distance for the identified required Interconnection Facilities associated with a New Service Request.
 - iii. Interconnection Switchyard, if applicable, Site Control evidence for an additional three-year term beginning from the last day of the relevant Cycle, Phase III.
 - (a) Such Site Control evidence shall cover 100 percent of the acreage required for the identified required Interconnection Switchyard associated with a New Service Request.
 - iv. If Project Developer fails to produce all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VIII, Subpart, section 402, and in accordance with Tariff, Part VIII, Subpart C, section 410(A)(1)(c)(i), (ii) and (iii) above, then Project Developer must provide evidence acceptable to Transmission Provider demonstrating that Project Developer is in negotiations with appropriate entities to meet the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402 and in accordance with Tariff, Part VIII, Subpart C, section 410(A)(1)(c)(i), (ii) and (iii) above.
 - (a) If Transmission Provider determines that the evidence of such negotiations is acceptable, then Transmission Provider shall add a condition precedent in the New Service Request final interconnection related agreement (from Tariff, Part IX) requiring that within 180 days from the effective date of such final agreement, all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402, and in accordance with Tariff, Part VIII, Subpart C, section 410(A)(1)(c)(i), (ii) and (iii) above, shall be met or, otherwise, such agreement shall automatically be deemed terminated and cancelled, and the related New Service Request shall automatically be deemed terminated and withdrawn from the Cycle.
 - (i) Such condition precedent shall not be extended under any circumstances for any reason.
- d. For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and

maintained a valid interconnection request with the adjacent Control Area(s) in which it is interconnecting. Project Developer shall maintain its queue position(s) with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its queue position(s) with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn.

- e. Project Developer or Eligible Customer must provide evidence that it has: (i) entered a fuel delivery agreement and water agreement, if necessary, and that it controls any necessary rights-of-way for fuel and water interconnections; (ii) obtained any necessary local, county, and state site permits; and (iii) signed a memorandum of understanding for the acquisition of major equipment. If Project Developer or Eligible Customer does not satisfy these requirements, these requirements can be addressed through a milestone in the applicable interconnection-related service agreement entered into pursuant to Tariff, Part IX.
- f. For state-level, non-jurisdictional interconnection projects, evidence of a fully executed Interconnection Agreement with the applicable entity.
- g. If Project Developer or Eligible Customer fails to submit all of the criteria in Tariff, Part VIII, Subpart C, section 410(A)(1)(d)(a) through (f) above (noting the exception provided for Site Control), before the close of the Decision Point III Phase, Project Developer's or Eligible Customer's New Service Request shall be deemed terminated and withdrawn.

B. If Project Developer or Eligible Customer submits all elements in Tariff, Part VIII, Subpart C, section 410(A)(1)(d)(a) through (f) above, then, at the close of the Decision Point III, Transmission Provider will begin the deficiency review of the elements set forth in Tariff, Part VIII, Subpart C, section 410(A)(1)(d)(a) through (e) above, as follows:

- 1. Transmission Provider will exercise Reasonable Efforts to inform Project Developer or Eligible Customer of deficiencies within 10 Business Days after the close of Decision Point III.
- 2. Project Developer or Eligible Customer then has five Business Days to respond to Transmission Provider's deficiency determination.
- 3. Transmission Provider then will exercise Reasonable Efforts to review Project Developer's or Eligible Customer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or proceed to the Final Agreement Negotiation Phase.

Transmission Provider's review of the above required elements may run co-extensively with the Final Agreement Negotiation Phase.

4. If the New Service Request is deemed terminated and withdrawn by the Transmission Provider, then Transmission Provider shall:
 - a. remove the withdrawn New Service Request from the Cycle and terminate the New Service Request;
 - b. Readiness Deposits will be treated pursuant to Tariff, Part VIII, Subpart A, section 401(D)(2)(c).
 - c. At the conclusion of Transmission Provider's deficiency review for Decision Point III, refund to the Project Developer or Eligible Customer up to 90 percent of its Study Deposit submitted with its New Service Request during the Application Phase, less any actual costs.
5. A Project Developer or Eligible Customer may withdraw its New Service Request during Decision Point III. If the Project Developer or Eligible Customer elects to withdraw its New Service Request during Decision Point III, the Transmission Provider must receive before the close of Decision Point III written notification from the Project Developer or Eligible Customer of its decision to withdraw its New Service Request. Following receipt of such written notification from the Project Developer or Eligible Customer, the Transmission Provider shall:
 - a. remove the withdrawn New Service Request from the Cycle and terminate the New Service Request;
 - b. Readiness Deposits will be treated pursuant to Tariff, Part VIII, Subpart A, section 401(D)(2)(c).
 - c. At the conclusion of Transmission Provider's deficiency review for Decision Point III, refund to the Project Developer or Eligible Customer up to 90 percent of its Study Deposit submitted with its New Service Request during the Application Phase, less any actual costs.
 - d. Adverse Study Impact Calculation. Notwithstanding the refund provisions in Tariff, Part VIII, Subpart C, section 410(B)(4)(b) and (c), and 410(B)(5)(b), Transmission Provider shall refund to Project Developer or Eligible Customer the cumulative Readiness Deposit amounts paid by Project Developer or Eligible Customer if the Project Developer's or Eligible Customer's Network Upgrade cost from Phase II to Phase III:
 - i. increases overall by 35 percent or more; and

- ii. increased by more than \$25,000 per MW.

Network Upgrade costs shall include costs identified in Affected System studies in their respective phases.

C. New Service Request Modification Requests at Decision Point III

New Service Requests may not be changed or modified in any way for any reason during Decision Point III except as permitted below. A New Service Request must be withdrawn and resubmitted in a subsequent Cycle to the extent a Project Developer or Eligible Customer wants to make any changes to such New Service Request at this point in the Cycle process.

Project Developer may specify a change to the project Site that was previously submitted in Decision Point I only if:

1. The initial Site (as defined from Decision Point I) and the proposed Site are adjacent parcels or evidence of easements between locations is provided;
2. No modification to previously submitted parcels for Interconnection Facilities or Interconnection Switchyard is permitted if such modification affects issued System Impact Studies (I, II, and III) and Facilities Studies; and
3. Such Site Control is subject to the verification procedures set forth in Tariff, Part VIII, Subpart C, section 410(A)(1)(c).

Demonstration of Site Control as to parcels submitted during Decision Point I that are no longer utilized in the Site is not required.

3 Modification of Facilities

3.1 General:

Subject to Applicable Laws and Regulations and to any applicable requirements or conditions of the Tariff and the Operating Agreement, either Interconnected Entity may undertake modifications to its facilities (“Planned Modifications”). In the event that an Interconnected Entity plans to undertake a modification, that Interconnected Entity, in accordance with Good Utility Practice, shall provide notice to the other Interconnection Parties with sufficient information regarding such modification, including any modification to its project that causes the project’s capacity, location, configuration or technology to differ from any corresponding information provided in the Interconnection Request, so that the other Interconnection Parties may evaluate the potential impact of such modification prior to commencement of the work. The Interconnected Entity may make changes to SCHEDULE A GENERATING FACILITY LOCATION/SITE PLAN and corresponding Site Control parcels provided they demonstrate to Transmission Provider that the change does not adversely impact the timing of milestones or Transmission Owner construction schedule. Project Developer shall submit to Transmission Provider an attestation in accordance with the PJM template that the modification to SCHEDULE A will have no impact on the overall timing of milestones (including backfeed date). Additionally, the attestation shall include acknowledgement from Project Developer that they waive the ability to request future milestone extensions related to permits or other land issues. In the event Transmission Provider determines the change impacts modeling assumptions, tThe Interconnected Entity desiring to perform such modification shall provide the relevant drawings, plans, specifications and models to the other Interconnection Parties in advance of the beginning of the work. Transmission Provider and the applicable Interconnection Entity shall enter into a Necessary Studies Agreement, a form is located in the Tariff, Part IX, pursuant to which Transmission Provider agrees to conduct the necessary studies to determine whether the Planned Modifications will have a permanent material impact on the Transmission System or would constitute a Material Modification, and to identify the additions, modifications, or replacements to the Transmission System, if any, that are necessary, in accordance with Good Utility Practice and/or to maintain compliance with Applicable Laws and Regulations or Applicable Standards, to accommodate the Planned Modifications.

The Interconnected Entity shall provide the information required by the Necessary Study Agreement and provide the required deposit. Transmission Provider, upon completion of the Necessary Studies, shall provide the Interconnected Entity (i) the type and scope of the permanent material impact, if any, the Planned Modifications will have on the Transmission System; (ii) the additions, modifications, or replacements to the Transmission System required to accommodate the Planned Modifications; and (iii) a good faith estimate of the cost of the additions, modifications, or replacements to the Transmission System required to accommodate the Planned Modifications. In the event such Planned Modification have a permanent material impact on the Transmission System or would constitute a Material Modification, Project Developer shall then withdraw the proposed modification or proceed with a new Interconnection Request for such modification.

3.2 Interconnection Request:

This section 3 shall not apply to any proposed modifications by Project Developer to its facilities for which Project Developer must make an Interconnection Request under the Tariff. In such circumstances, the Project Developer and Transmission Provider shall follow the requirements set forth in the GIP.

3.3 Standards:

Any additions, modifications, or replacements made to an Interconnected Entity's facilities shall be constructed and operated in accordance with Good Utility Practice, Applicable Standards and Applicable Laws and Regulations.

3.4 Modification Costs:

Unless otherwise required by Applicable Laws and Regulations or this Appendix 2 and, with respect to a Transmission Project Developer, subject to the terms of the GIP,:

(a) Project Developer shall not be responsible for the costs of any additions, modifications, or replacements that the Transmission Owner in its discretion or at the direction of Transmission Provider makes to the Interconnection Facilities and Transmission Owner Upgrades or the Transmission System in order to facilitate the interconnection of a third party to the Interconnection Facilities and Transmission Owner Upgrades or the Transmission System, or to provide transmission service under the Tariff to a third party.

(b) Project Developer shall be responsible for the costs of any additions, modifications, or replacements to the Interconnection Facilities and Transmission Owner Upgrades or the Transmission System that are required, in accord with Good Utility Practice and/or to maintain compliance with Applicable Laws and Regulations or Applicable Standards, in order to accommodate additions, modifications, or replacements made by Project Developer to the Generating Facility or Merchant Transmission Facility or to the Project Developer Interconnection Facilities.

(c) Project Developer shall be responsible for the costs of any additions, modifications, or replacements to the Project Developer Interconnection Facilities or the Generating Facility or Merchant Transmission Facility that are required, in accord with Good Utility Practice and/or to maintain compliance with Applicable Laws and Regulations or Applicable Standards, in order to accommodate additions, modifications, or replacements that Transmission Provider or the Transmission Owner makes to the Transmission System or to the Transmission Owner Interconnection Facilities and Transmission Owner Upgrades, but only to the extent that Transmission Provider's or the Transmission Owner's changes to the Transmission System or the Transmission Owner Interconnection Facilities and Transmission Owner Upgrades are made pursuant to Good Utility Practice and/or to maintain compliance with Applicable Laws and Regulations or Applicable Standards.

Attachment B

Revisions to the PJM Open Access Transmission Tariff

(Clean Format)

Tariff, Part VII, Subpart D, section 309
Decision Point I

A. Requirements

The Decision Point I shall commence on the first Business Day immediately following the end of Phase I. New Service Requests that are studied in Phase I will enter Decision Point I. Before the close of the Decision Point I, Project Developer or Eligible Customer shall choose either to remain in the Cycle subject to the terms set forth below, or to withdraw its New Service Request.

1. For a New Service Request to remain in the Cycle, it must either proceed as set forth immediately below, or, if Transmission Provider determines a New Service Request qualifies to accelerate to a final interconnection related agreement (from Tariff, Part IX), such New Service Request must meet the requirements set forth below in Tariff, Part VII, Subpart D, section 309(A)(2) (acceleration provisions).
 - a. For a New Service Request that is not otherwise eligible to accelerate to a final interconnection related agreement (from Tariff, Part IX) to remain in the Cycle, Transmission Provider must receive from the Project Developer or Eligible Customer all of the following required elements before the close of Decision Point I:
 - i. The applicable Readiness Deposit No. 2
 - (a) The Decision Point I Readiness Deposit No. 2 is to be paid cumulatively, i.e., in addition to the Readiness Deposit No. 1 that was submitted with the New Service Request at the Application Phase. The Decision Point I Readiness Deposit No. 2 will be calculated by the Transmission Provider during Phase I, and shall not be reduced or refunded based upon subsequent New Service Request modifications or cost allocation changes.
 - (b) At Decision Point I, the Readiness Deposit No. 2 required shall be an amount equal to:
 - (i) the greater of (i) 10 percent of the cost allocation for the Network Upgrades as calculated in Phase I or (ii) the Readiness Deposit No. 1 paid by the Project Developer with its New Service Request during the Application Phase; minus
 - (ii) the Readiness Deposit No. 1 amount paid by the Project Developer with its New Service Request during the Application Phase
 - (c) The Readiness Deposit No. 2 amount due can be zero, but cannot be a negative number (i.e., there will not be any

refunded amounts associated with Readiness Deposit No. 2).

- b. Project Developers must provide evidence of Site Control that is in accordance with the Site Control rules set forth above in Tariff, Part VII, Subpart A, section 302, and is also in accordance with the following additional specifications:
 - i. Generating Facility or Merchant Transmission Facility Site Control evidence for an additional one-year term beginning from last day of the relevant Cycle, Phase I.
 - (a) Such Site Control evidence shall continue to cover 100 percent of the Generating Facility or Merchant Transmission Facility Site, including the location of the high-voltage side of the Generating Facility's main power transformer(s). Any modifications to Site Control must adhere to Tariff, Part VII, Subpart D, section 309(B)(5) (Generating Facility or Merchant Transmission Facility Site Changes).
 - (b) Interconnection Facilities (to the Point of Interconnection) Site Control evidence for a one-year term beginning from the last day of the relevant Cycle, Phase I.
 - (i) Such Site Control evidence shall cover 50 percent of the linear distance for the identified required Interconnection Facilities associated with a New Service Request.
 - (c) If applicable, Interconnection Switchyard Site Control evidence for a one-year term beginning from the last day of the relevant Cycle, Phase I.
 - (i) Such Site Control evidence shall cover 50 percent of the acreage required for the identified required Interconnection Switchyard facilities associated with a New Service Request.
- c. For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid corresponding interconnection request with any required adjacent Control Area(s) in which it is interconnecting or is required to interconnect with as part of such Transmission Interconnection Request. Project Developer shall maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its interconnection request positions with such adjacent Control

Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn, and will be removed from the Cycle.

- d. Evidence of air and water permits (if applicable)
 - e. For state-level, non-jurisdictional interconnection projects, evidence of participation in the state-level interconnection process with the applicable entity.
 - f. Submission of New Service Request data for Phase II System Impact Study.
 - g. If Project Developer or Eligible Customer fails to submit all of the criteria in (a) through (f) above, before the close of the Decision Point I Phase, Project Developer's or Eligible Customer's New Service Request shall be deemed terminated and withdrawn.
 - h. If Project Developer or Eligible Customer submits all elements in (a) through (f) above, then, at the close of the Decision Point I, Transmission Provider will begin the deficiency review of the elements set forth in (b) through (e) above, as follows:
 - i. Transmission Provider will exercise Reasonable Efforts to inform Project Developer or Eligible Customer of deficiencies within 10 Business Days after the close of Decision Point I.
 - ii. Project Developer or Eligible Customer then has five Business Days to respond to Transmission Provider's deficiency determination.
 - iii. Transmission Provider then will exercise Reasonable Efforts to review Project Developer's or Eligible Customer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or include the New Service Request in Phase II.
 - iv. Transmission Provider's review of the above required elements may run co-extensively with Phase II.
2. Acceleration at Decision Point I. Only New Service Requests that have no cost allocation for Network Upgrades and do not require further studies are eligible for acceleration. Upon completion of the Phase I System Impact Study, Transmission Provider may accelerate treatment of such New Service Request.
- a. For (i) a jurisdictional project that qualifies to accelerate, or (ii) a non-jurisdictional project that qualifies to accelerate and which retains a fully executed state level interconnection agreement with the applicable entity, to remain in the Cycle, Transmission Provider must receive from the

Project Developer all of the following required elements before the close of Decision Point I:

- i. Security
 - (a) Security shall be calculated for New Service Requests based upon Network Upgrades costs allocated pursuant to the Phase I System Impact Study Results.
- ii. Notification in writing that Project Developer or Eligible Customer elects to proceed to a final agreement with respect to its New Service Request
- iii. Project Developer must provide evidence of Site Control that is in accordance with the Site Control rules set forth above in Tariff, Part VII, Subpart A, section 302, and is also in accordance with the following additional specifications:
 - (a) Generating Facility or Merchant Transmission Facility Site Control evidence for an additional one-year term beginning from last day of the relevant Cycle, Phase I.
 - (i) Such Site Control evidence shall be identical to the Generating Facility or Merchant Transmission Facility Site Control evidence submitted for a New Service Request in the Application Phase, and shall continue to cover 100 percent of the Generating Facility Site, including the location of the high-voltage side of the Generating Facility's main power transformer(s).
 - (b) Interconnection Facilities (to the Point of Interconnection) Site Control evidence for a one-year term beginning from the last day of the relevant Cycle, Phase I.
 - (i) Such Site Control evidence shall cover 100 percent of the linear distance for the identified required Interconnection Facilities associated with a New Service Request.
 - (c) Interconnection Switchyard, if applicable, Site Control evidence for a one-year term beginning from the last day of the relevant Cycle, Phase I.
 - (i) Such Site Control evidence shall cover 100 percent of the acreage required identified required Interconnection Switchyard associated with a New Service Request.
- iv. If Project Developer fails to produce all required Site Control evidence in accordance with the Site Control rules set forth in

Tariff, Part VII, Subpart A, section 302, and in accordance with (i), (ii) and (iii) above, then Project Developer must provide evidence acceptable to Transmission Provider demonstrating that Project Developer is in negotiations with appropriate entities to meet the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with (i), (ii) and (iii) above.

- (a) If Transmission Provider determines that the evidence of such negotiations is acceptable, then Transmission Provider shall add a condition precedent in the New Service Request final interconnection related agreement (from Tariff, Part IX) requiring that within 180 days from the effective date of such final agreement, all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with (i), (ii) and (iii) above, shall be met or, otherwise, such agreement shall automatically be deemed terminated and cancelled, and the related New Service Request shall automatically be deemed terminated and withdrawn from the Cycle.

- (1) Such condition precedent shall not be extended under any circumstances for any reason.

- b. Project Developer must provide evidence that it has: (i) entered a fuel delivery agreement and water agreement, if necessary, and that it controls any necessary rights-of-way for fuel and water interconnections; (ii) obtained any necessary local, county, and state site permits; and (iii) signed a memorandum of understanding for the acquisition of major equipment.
- c. For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid corresponding interconnection request with any required adjacent Control Area(s) in which it is interconnecting or is required to interconnect with as part of such Transmission Interconnection Request. Project Developer shall maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn, and will be removed from the Cycle.

- d. For a non-jurisdictional project, evidence of a fully executed state level interconnection agreement with the applicable entity.
 - e. If Project Developer or Eligible Customer fails to submit all of the criteria in (a) through (d) above (noting the exception provided for Site Control), before the close of the Decision Point I Phase, Project Developer's or Eligible Customer's New Service Request shall be deemed terminated and withdrawn.
 - f. If Project Developer or Eligible Customer subject to Acceleration at Decision Point I submits all elements in (a) through (d) above, then, at the close of the Decision Point I, Transmission Provider will begin the deficiency review of the elements set forth in (a) through (d) above, as follows:
 - i. Transmission Provider will exercise Reasonable Efforts to inform Project Developer or Eligible Customer of deficiencies within 10 Business Days after the close of Decision Point I.
 - ii. Project Developer or Eligible Customer then has five Business Days to respond to Transmission Provider's deficiency determination.
 - iii. Transmission Provider then will exercise Reasonable Efforts to review Project Developer's or Eligible Customer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or proceed to a final interconnection related agreement (from Tariff, Part IX). The final interconnection related agreement shall be negotiated and issued in accordance with the rules set forth in Tariff, Part VII, Subpart D, section 314.
3. For a New Service Request for a non-jurisdictional project that qualifies to accelerate to a final interconnection related agreement (from Tariff, Part IX) but which has not yet secured a fully executed state level interconnection agreement with the applicable entity before the close of Decision Point I to remain in the Cycle, Transmission Provider must receive from the Project Developer all of the following required elements, before the close of Decision Point III:
- a. Security. Security shall be calculated for New Service Requests based upon Network Upgrades costs allocated pursuant to the Phase I System Impact Study Results.
 - b. Notification in writing that Project Developer elects to proceed to a final agreement with respect to its New Service Request
 - c. Evidence of Site Control that is in accordance with the Site Control rules set forth above in Tariff, Part VII, Subpart A, section 302, and is also in accordance with the following additional specifications:
 - i. Generating Facility Site Control evidence is required to be maintained for an additional term beginning from last day of the

relevant Cycle, Phase I that extends through full execution date of the relevant state level interconnection agreement with the applicable entity, plus one year beyond such full execution date of the relevant state level interconnection agreement with the applicable entity.

- (a) Such Site Control evidence shall be identical to the Generating Facility Site Control evidence submitted for a New Service Request in the Application Phase, and shall continue to cover 100 percent of the Generating Facility Site, including the location of the high-voltage side of the Generating Facility's main power transformer(s).
- ii. Interconnection Facilities (to the Point of Interconnection) Site Control evidence is required to be maintained for a term beginning from last day of the relevant Cycle, Phase I that extends through full execution date of the relevant state level interconnection agreement with the applicable entity, plus one year beyond such full execution date of the relevant state level interconnection agreement with the applicable entity.
 - (a) Such Site Control evidence shall cover 100 percent of the linear distance for the identified required Interconnection Facilities associated with a New Service Request.
- iii. Interconnection Switchyard, if applicable, Site Control evidence is required to be maintained for a term beginning from last day of the relevant Cycle, Phase I that extends through full execution date of the relevant state level interconnection agreement with the applicable entity, plus one year beyond such full execution date of the relevant state level interconnection agreement with the applicable entity.
 - (a) Such Site Control evidence shall cover 100 percent of the acreage required for the identified required Interconnection Switchyard associated with a New Service Request.
- iv. PJM may request evidence of the required Site Control at any point beginning from last day of the relevant Cycle, Phase I through a date that extends one year beyond the full execution date of the relevant state level interconnection agreement with the applicable entity
- v. If Project Developer fails to produce all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with (i), (ii) and (iii) above, then Project Developer must provide evidence acceptable to Transmission Provider demonstrating that Project Developer is in negotiations with appropriate entities to meet the

Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with (i), (ii) and (iii) above.

- (a) If Transmission Provider determines that the evidence of such negotiations is acceptable, then Transmission Provider shall add a condition precedent in the New Service Request final interconnection related agreement (from Tariff, Part IX) requiring that within 180 days from the effective date of such final agreement, all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with (i), (ii) and (iii) above, shall be met or, otherwise, such agreement shall automatically be deemed terminated and cancelled, and the related New Service Request shall automatically be deemed terminated and withdrawn from the Cycle.
 - (i) Such condition precedent shall not be extended under any circumstances for any reason.
- d. For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid corresponding interconnection request with any required adjacent Control Area(s) in which it is interconnecting or is required to interconnect with as part of such Transmission Interconnection Request. Project Developer shall maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn, and will be removed from the Cycle
- e. Evidence of a fully executed state level Interconnection Agreement with the applicable entity
- f. Project Developer must provide evidence that it has: (i) entered a fuel delivery agreement and water agreement, if necessary, and that it controls any necessary rights-of-way for fuel and water interconnections; (ii) obtained any necessary local, county, and state site permits; and (iii) signed a memorandum of understanding for the acquisition of major equipment.
- g. If Project Developer fails to submit all of the criteria in (a) through (f) above (noting the exception provided for Site Control), before the close of

the Decision Point III Phase, Project Developer's New Service Request shall be deemed terminated and withdrawn.

- h. When Project Developer meets all of the requirements above, then, at the point at which the last required piece of evidence as set forth in (a) through (f) above was submitted, Transmission Provider will begin the deficiency review of the elements set forth in (a) through (f) above, as follows:
 - i. Transmission Provider will exercise Reasonable Efforts to inform Project Developer of deficiencies within 10 Business Days after the close of Decision Point I.
 - ii. Project Developer then has five Business Days to respond to Transmission Provider's deficiency determination.
 - iii. Transmission Provider then will exercise Reasonable Efforts to review Project Developer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or proceed to a final interconnection related agreement (from Tariff, Part IX). The final interconnection related agreement shall be negotiated and issued in accordance with the rules set forth in Tariff, Part VII, Subpart D, section 314.

4. New Service Request Withdraw or Termination at Decision Point I

- a. A Project Developer or Eligible Customer may withdraw its New Service Request during Decision Point I. If the Project Developer or Eligible Customer elects to withdraw its New Service Request during Decision Point I, the Transmission Provider must receive before the close of the Decision Point I Phase written notification from the Project Developer or Eligible Customer of Project Developer's or Eligible Customer's decision to withdraw its New Service Request.
- b. Transmission Provider may deem a New Service Request terminated and withdrawn for failing to meet any of the Decision Point I requirements, as set forth in this Tariff, Part VII, Subpart D, section 309.
- c. If a New Service Request is either withdrawn or deemed terminated and withdrawn, it will be removed from the relevant Cycle, and Readiness Deposits and Study Deposits will be disbursed as follows:
 - i. For Readiness Deposits:
 - (a) At the conclusion of Transmission Provider's deficiency review for Decision Point I or upon voluntary withdrawal of a New Service Request, refund to the Project Developer or Eligible Customer 50 percent of Readiness Deposit No. 1 paid by the Project Developer or Eligible Customer with its New Service Request during the Application Phase, and 100 percent of Readiness Deposit No. 2 paid by the Project

Developer or Eligible Customer during this Decision Point I. Notwithstanding the preceding, Project Developers or Eligible Customers in Transition Cycle # 1 will be refunded 100 percent of Readiness Deposit No. 1 paid by the Project Developer or Eligible Customer with its New Service Request provided pursuant to Tariff, Part VII, Subpart C, section 306(A)(5)(b), and 100 percent of the Readiness Deposit No. 2 paid by the Project Developer or Eligible Customer during this Decision Point I; and

(b) At the conclusion of the Cycle, Project Developers or Eligible Customers will be refunded up to 50 percent of Readiness Deposit No. 1 pursuant to Tariff, Part VII, Subpart A, section 301(A)(3).

ii. At the conclusion of Transmission Provider's deficiency review for Decision Point I, Project Developers or Eligible Customers will be refunded up to 90 percent of their Study Deposit submitted with their New Service Request during the Application Phase, less any actual costs.

B. New Service Request Modification Requests at Decision Point I

1. Project Developer or Eligible Customer may not request a modification that is not expressly allowed. To the extent Project Developer or Eligible Customer desires a modification that is not expressly allowed, Project Developer or Eligible Customer must withdraw its New Service Request and resubmit the New Service Request with the proposed modification in a subsequent Cycle.
2. Reductions in Maximum Facility Output and/or Capacity Interconnection Rights. Project Developer may reduce the previously requested New Service Request Maximum Facility Output and/or Capacity Interconnection Rights values, up to 100 percent of the requested amount
3. Fuel Changes. The fuel type specified in the New Service Request may not be changed or modified in any way for any reason, except that for New Service Requests that involve multiple fuel types, removal of a fuel type through these reduction rules will not constitute a fuel type change.
4. Point of Interconnection.
 - a. The Point of Interconnection must be finalized before the close of the Decision Point I Phase.
 - i. Project Developer may only move the location of the Point of Interconnection 1) along the same segment of transmission line, as defined by the two electrical nodes located on the transmission line as modeled in the Phase I Base Case Data, or 2) move the location of the Point of Interconnection to a different breaker position within the same substation, subject to Transmission Owner review

and approval. Project Developer may not modify its Point of Interconnection to/from a transmission line from/to a direct connection into a substation.

- (a) Project Developer must notify Transmission Provider in writing of any changes to its Point of Interconnection prior to the close of Decision Point I. No modifications to the Point of Interconnection will be accepted for any reason after the close of Decision Point I.

5. Generating Facility or Merchant Transmission Facility Site Changes

Project Developer may specify a change to the project Site that was previously submitted in the Application Phase only if:

- a. The initial Site and the proposed Site are adjacent parcels or evidence of easements between locations is provided; and
- b. Such Site Control is subject to the verification procedures set forth in Tariff, Subpart D, section 309(A)(1)(b) (Decision Point I Site Control verification).

Demonstration of Site Control as to parcels submitted in the Application Phase that are no longer utilized in the Site is not required.

6. Equipment Changes

- a. During Decision Point I, Project Developer may modify its Interconnection Request for updated equipment data. Project Developer shall submit machine modeling data as specified in the PJM Manuals before the close of Decision Point I.

Tariff, Part VII, Subpart D, section 311
Decision Point II

A. Requirements

Decision Point II shall commence on the first Business Day immediately following the end of Phase II. New Service Requests that are studied in Phase II will enter Decision Point II. Before the close of Decision Point II, Project Developer or Eligible Customer shall choose either to remain in the Cycle subject to the terms set forth below, or to withdraw its New Service Request.

1. For a New Service Request to remain in the Cycle, it must either proceed as set forth immediately below, or, if Transmission Provider determines a New Service Request qualifies to accelerate to a final interconnection related agreement (from Tariff, Part IX), such new Service Request must meet the requirements set forth below in Tariff, Part VII, Subpart D, section 311(A)(2)(d).
 - a. For a New Service Request that is not otherwise eligible to accelerate to a final interconnection related agreement (from Tariff, Part IX) to remain in the Cycle, Transmission Provider must receive from the Project Developer or Eligible Customer all of the following required elements before the close of Decision Point II:
 - b. The applicable Readiness Deposit No. 3
 - i. The Decision Point II Readiness Deposit No. 3 to be paid cumulatively, i.e., in addition to the Readiness Deposit No. 1 that was submitted with the New Service Request at the Application Phase, and the Readiness Deposit No. 2 that was submitted at Decision Point I. The Decision Point II Readiness Deposit No. 3 will be calculated by the Transmission Provider during Phase II, and shall not be reduced or refunded based upon subsequent New Service Request modifications or cost allocation changes.
 - ii. The Decision Point II Readiness Deposit No. 3 required amount shall be an amount equal to the greater of:
 - (a) (i) 20 percent of the cost allocation for the Network Upgrades as calculated in Phase II or (ii) the Readiness Deposit No. 1 paid by the Project Developer or Eligible Customer with its New Service Request during the Application Phase plus the Readiness Deposit No. 2 paid by the Project Developer or Eligible Customer with its New Service Request during Decision Point I; minus
 - (b) the Readiness Deposit No. 1 amount paid by the Project Developer with its New Service Request during the Application Phase, plus the Readiness Deposit No. 2 amount paid by the Project Developer or Eligible Customer with its New Service Request during Decision Point I.

- iii. The Readiness Deposit No. 3 amount due can be zero, but cannot be a negative number (i.e., there will not be any refunded amounts associated with Readiness Deposit No. 3).
 - c. Notification in writing that Project Developer or Eligible Customer elects to exercise the Option to Build for Stand Alone Network Upgrades identified with respect to its New Service Request
 - d. Evidence of Site Control. There are no Site Control evidentiary requirements at Decision Point II.
 - e. Evidence of air and water permits (if applicable)
 - f. For state-level, non-jurisdictional interconnection projects, evidence of participation in the state-level interconnection process with the applicable entity.
 - g. Submission of New Service Request Data for Phase II System Impact Study data.
 - h. Evidence that Project Developer or Eligible Customer entered into a fully executed Affected System Study Agreement, if applicable to its New Service Request by the later of Decision Point II or 60 days after notification from Transmission Provider that an Affected System Study Agreement is required.
 - i. For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid interconnection request with the adjacent Control Area(s) in which it is interconnecting. Project Developer shall maintain its queue position(s) with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its queue position(s) with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn.
 - j. If Project Developer or Eligible Customer fails to submit all of the criteria in (b) through (i) above, before the close of Decision Point II, Project Developer's or Eligible Customer's New Service Request shall be deemed terminated and withdrawn.
2. If Project Developer or Eligible Customer submits all elements in (b) through (i) above, then, at the close of the Decision Point II, Transmission Provider will begin the deficiency review of the elements set forth in (b) through (i) above, as follows:

- a. Transmission Provider will exercise Reasonable Efforts to inform Project Developer or Eligible Customer of deficiencies within 10 Business Days after the close of Decision Point II.
- b. Project Developer or Eligible Customer then has five Business Days to respond to Transmission Provider's deficiency determination.
- c. Transmission Provider then will exercise Reasonable Efforts to review Project Developer's or Eligible Customer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or include the New Service Request in Phase III.
 - i. Transmission Provider's review of the above required elements may run co-extensively with Phase III.
- d. Acceleration at Decision Point II. Only New Service Requests that have no cost allocation for Network Upgrades and do not require further studies are eligible for acceleration. Upon completion of the Phase II System Impact Study, Transmission Provider may accelerate treatment of such New Service Request.
 - i. For (i) a jurisdictional project that qualifies to accelerate, or (ii) a non-jurisdictional project that qualifies to accelerate and which retains a fully executed state level interconnection agreement with the applicable entity, to remain in the Cycle, Transmission Provider must receive from the Project Developer or Eligible Customer all of the following required elements before the close of Decision Point II:
 - (a) Security
 - (i) Security shall be calculated for New Service Requests based upon Network Upgrades costs allocated pursuant to the Phase II System Impact Study Results.
 - (b) Notification in writing that Project Developer or Eligible Customer elects to proceed to a final agreement with respect to its New Service Request
 - (c) Evidence of Site Control that is in accordance with the Site Control rules set forth above in Tariff, Part VII, Subpart A, section 302, and is also in accordance with the following additional specifications:
 - (i) Generating Facility or Merchant Transmission Facility Site Control evidence for an additional one-year term beginning from last day of the relevant Cycle, Phase II.

- (1) Such Site Control evidence shall be identical to the Generating Facility or Merchant Transmission Facility Site Control evidence submitted for a New Service Request in the Application Phase, and shall continue to cover 100 percent of the Generating Facility Site, including the location of the high-voltage side of the Generating Facility's main power transformer(s).
 - (ii) Interconnection Facilities (to the Point of Interconnection) Site Control evidence for a one-year term beginning from the last day of the relevant Cycle, Phase II.
 - (1) Such Site Control evidence shall cover 100 percent of the linear distance for identified required Interconnection Facilities associated with a New Service Request.
 - (iii) If applicable, Interconnection Switchyard Site Control evidence for a one-year term beginning from the last day of the relevant Cycle, Phase II.
 - (1) Such Site Control evidence shall cover 100 percent of the acreage required for the identified required Interconnection Switchyard associated with a New Service Request.
- e. If Project Developer fails to produce all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with Tariff, Part VII, Subpart D, section 311(A)(2)(d)(i), (ii) and (iii) above, then Project Developer must provide evidence acceptable to Transmission Provider demonstrating that Project Developer is in negotiations with appropriate entities to meet the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with Tariff, Part VII, Subpart D, section 311(A)(2)(d)(i), (ii) and (iii) above.
 - i. If Transmission Provider determines that the evidence of such negotiations is acceptable, then Transmission Provider shall add a condition precedent in the New Service Request final interconnection related agreement (from Tariff, Part IX) requiring that within 180 days from the effective date of such final agreement, all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with Tariff, Part VII, Subpart D, section 311(A)(2)(d)(i), (ii) and (iii) above, shall be met or,

otherwise, such agreement shall automatically be deemed terminated and cancelled, and the related New Service Request shall automatically be deemed terminated and withdrawn from the Cycle.

- (a) Such condition precedent shall not be extended under any circumstances for any reason.
- (b) Project Developer must provide evidence that it has: (i) entered a fuel delivery agreement and water agreement, if necessary, and that it controls any necessary rights-of-way for fuel and water interconnections; (ii) obtained any necessary local, county, and state site permits; and (iii) signed a memorandum of understanding for the acquisition of major equipment.
- (c) For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid corresponding interconnection request with any required adjacent Control Area(s) in which it is interconnecting or is required to interconnect with as part of such Transmission Interconnection Request. Project Developer shall maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn, and will be removed from the Cycle.
- (d) For a non-jurisdictional project, evidence of a fully executed state level interconnection agreement with the applicable entity.
- (e) If Project Developer or Eligible Customer fails to submit all of the criteria in Tariff, Part VII, Subpart D, section 311(A)(2)(e)(i)(a) through (d) above (noting the exception provided for Site Control), before the close of Decision Point II, Project Developer's or Eligible Customer's New Service Request shall be deemed terminated and withdrawn.

- (f) If Project Developer or Eligible Customer submits all elements in Tariff, Part VII, Subpart D, section 311(A)(2)(e)(i)(a) through (d) above, then, at the close of the Decision Point II, Transmission Provider will begin the deficiency review of the elements set forth in Tariff, Part VII, Subpart D, section 311(A)(2)(e)(i)(a) through (d) above, as follows:
 - (i) Transmission Provider will exercise Reasonable Efforts to inform Project Developer or Eligible Customer of deficiencies within 10 Business Days after the close of Decision Point I.
 - (ii) Project Developer or Eligible Customer then has five Business Days to respond to Transmission Provider's deficiency determination.
 - (iii) Transmission Provider then will exercise Reasonable Efforts to review Project Developer's or Eligible Customer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or proceed to a final interconnection related agreement (from Tariff, Part IX). The final interconnection related agreement shall be negotiated and issued in accordance with the rules set forth in Tariff, Part VII, Subpart D, section 314.
- (g) For a New Service Request for a non-jurisdictional project that qualifies to accelerate to a final interconnection related agreement (from Tariff, Part IX) but which has not yet secured a fully executed state level interconnection agreement with the applicable entity before the close of Decision Point II to remain in the Cycle, Transmission Provider must receive from the Project Developer all of the following required elements, before the close of Decision Point III:
 - (h) Security. Security shall be calculated for New Service Requests based upon Network Upgrades costs allocated pursuant to the Phase II System Impact Study Results.
 - (i) Notification in writing that Project Developer elects to proceed to a final agreement with respect to its New Service Request
 - (j) Evidence of Site Control that is in accordance with the Site Control rules set forth above in Tariff, Part VII, Subpart A,

section 302, and is also in accordance with the following additional specifications:

- (i) Generating Facility Site Control evidence is required to be maintained for an additional term beginning from last day of the relevant Cycle, Phase II that extends through full execution date of the relevant state level interconnection agreement with the applicable entity, plus one-year beyond such full execution date of the relevant state level interconnection agreement with the applicable entity.
 - (1) Such Site Control evidence shall be identical to the Generating Facility Site Control evidence submitted for a New Service Request in the Application Phase, and shall continue to cover 100 percent of the Generating Facility Site, including the location of the high-voltage side of the Generating Facility's main power transformer(s).
- (ii) Interconnection Facilities (to the Point of Interconnection) Site Control evidence is required to be maintained for a term beginning from last day of the relevant Cycle, Phase II that extends through the full execution date of the relevant state level interconnection agreement with the applicable entity, plus one year beyond such full execution date of the relevant state level interconnection agreement with the applicable entity.
 - (1) Such Site Control evidence shall cover 100 percent of linear distance for the identified required Interconnection Facilities associated with a New Service Request.
- (iii) Interconnection Switchyard, if applicable, Site Control evidence is required to be maintained for a term beginning from last day of the relevant Cycle, Phase II that extends through full execution date of the relevant state level interconnection agreement with the applicable entity, plus one year beyond such full execution date of the relevant state level interconnection agreement with the applicable entity.

- (1) Such Site Control evidence shall cover 100 percent of acreage required for the identified required Interconnection Switchyard associated with a New Service Request.
- (iv) PJM may request evidence of the required Site Control at any point beginning from last day of the relevant Cycle, Phase II through a date that extends one year beyond the full execution date of the relevant state level interconnection agreement with the applicable entity
- (v) If Project Developer fails to produce all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with Tariff, Part VII, Subpart D, section 311(A)(2)(j)(i), (ii) and (iii) above, then Project Developer must provide evidence acceptable to Transmission Provider demonstrating that Project Developer is in negotiations with appropriate entities to meet the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with Tariff, Part VII, Subpart D, section 311(A)(2)(j)(i), (ii) and (iii) above.
 - (1) If Transmission Provider determines that the evidence of such negotiations is acceptable, then Transmission Provider shall add a condition precedent in the New Service Request final interconnection related agreement (from Tariff, Part IX) requiring that within 180 days from the effective date of such final agreement, all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with Tariff, Part VII, Subpart D, section 311(A)(2)(j)(i), (ii) and (iii) above, shall be met or, otherwise, such agreement shall automatically be deemed terminated and cancelled, and the related New Service Request shall automatically be deemed terminated and withdrawn from the Cycle.
 - (1.a) Such condition precedent shall not be extended under any circumstances for any reason.

- (k) For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid corresponding interconnection request with any required adjacent Control Area(s) in which it is interconnecting or is required to interconnect with as part of such Transmission Interconnection Request. Project Developer shall maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn, and will be removed from the Cycle
- (l) Evidence of a fully executed state level Interconnection Agreement with the applicable entity
- (m) Project Developer must provide evidence that it has: (i) entered a fuel delivery agreement and water agreement, if necessary, and that it controls any necessary rights-of-way for fuel and water interconnections; (ii) obtained any necessary local, county, and state site permits; and (iii) signed a memorandum of understanding for the acquisition of major equipment.
- (n) If Project Developer or Eligible Customer fails to submit all of the criteria in Tariff, Part VII, Subpart D, section 311(A)(2)(a) through (m) above (noting the exception provided for Site Control), before the close of the Decision Point III Phase, Project Developer's or Eligible Customer's New Service Request shall be deemed terminated and withdrawn.
- (o) When Project Developer or Eligible Customer meets all of the requirements above, then, at the point at which the last required piece of evidence as set forth in Tariff, Part VII, Subpart D, section 311(A)(2)(a) through (m) above was submitted, Transmission Provider will begin the deficiency review of the elements set forth in Tariff, Part VII, Subpart D, section 311(A)(2)(a) through (m) above, as follows:
 - (i) Transmission Provider will exercise Reasonable Efforts to inform Project Developer or Eligible

Customer of deficiencies within 10 Business Days after the close of Decision Point I.

- (ii) Project Developer or Eligible Customer then has five Business Days to respond to Transmission Provider's deficiency determination.
- (iii) Transmission Provider then will exercise Reasonable Efforts to review Project Developer's or Eligible Customer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or proceed to a final interconnection related agreement (from Tariff, Part IX). The final interconnection related agreement shall be negotiated and issued in accordance with the rules set forth in Tariff, Part VII, Subpart D, section 314.

B. New Service Request Withdraw or Termination at Decision Point II

1. A Project Developer or Eligible Customer may withdraw its New Service Request during Decision Point II. If the Project Developer or Eligible Customer elects to withdraw its New Service Request during Decision Point II, the Transmission Provider must receive before the close of the Decision Point II Phase written notification from the Project Developer or Eligible Customer of Project Developer's or Eligible Customer's decision to withdraw its New Service Request.
2. Transmission Provider may deem a New Service Request terminated and withdrawn for failing to meet any of the Decision Point II requirements, as set forth in this Tariff, Part VII, Subpart D, section 311.
3. If a New Service Request is either withdrawn or deemed terminated and withdrawn, it will be removed from the relevant Cycle, and Readiness Deposits and Study Deposits will be disbursed as follows:
 - a. For Readiness Deposits:
 - i. At the conclusion of Transmission Provider's deficiency review for Decision Point II, refund to Project Developer or Eligible Customer 100 percent of Readiness Deposit No. 2 paid by the Project Developer or Eligible Customer during Decision Point I;
 - ii. At the conclusion of the Cycle, refund to Project Developer or Eligible Customer up to 100 percent of Readiness Deposit No. 1 pursuant to Tariff, Part VII, Subpart A, section 301(A)(3).
 - b. For Study Deposits:
 - i. At the conclusion of Transmission Provider's deficiency review for Decision Point II, refund to the Project Developer or Eligible

Customer up to 90 percent of its Study Deposit submitted with its New Service Request during the Application Phase, less any actual costs.

- c. Adverse Study Impact Calculation. Notwithstanding the refund provisions in Tariff, Part VII, Subpart D, section 311(B)(3)(a) and (b)(i), Transmission Provider shall refund to Project Developer or Eligible Customer the cumulative Readiness Deposit amounts paid by Project Developer or Eligible Customer at the Application Phase and at the Decision Point I Phase if the Project Developer's Network Upgrade cost from Phase I to Phase II:
 - i. increases overall by 25 percent or more; and
 - ii. increases by more than \$10,000 per MW.

Network Upgrade costs shall include costs identified in Affected System studies in their respective phases.

4. New Service Request Modification Requests at Decision Point II

- a. Project Developer or Eligible Customer may not request a modification that is not expressly allowed. To the extent Project Developer or Eligible Customer desires a modification that is not expressly allowed, Project Developer or Eligible Customer must withdraw its New Service Request and resubmit the New Service Request with the proposed modification in a subsequent Cycle.
- b. Reductions in Maximum Facility Output and/or Capacity Interconnection Rights. Project Developer may reduce the previously requested New Service Request Maximum Facility Output and/or Capacity Interconnection Rights values, up to 10 percent of the values studied in Phase II.
- c. Fuel Changes. The fuel type specified in the New Service Request may not be changed or modified in any way for any reason, except that for New Service Requests that involve multiple fuel types, removal of a fuel type through these reduction rules will not constitute a fuel type change.
- d. Point of Interconnection. The Point of Interconnection may not be changed or modified in any way for any reason at this point in the Cycle process.
- e. Generating Facility or Merchant Transmission Facility Site Changes. Project Developer may pursue changes during this time, however, demonstration of Site Control is not required during Decision Point II. Any changes made to Site Control during Decision Point II will be subject to and evaluated consistent with the modification requirements at Decision Point III.
- f. Equipment Changes

During Decision Point II, Project Developer is limited to modifying its New Service Request to Permissible Technological Advancement changes only. Project Developer shall submit machine modeling data as specified in the PJM Manuals associated with the Permissible Technological Advancement before the close of Decision Point II.

Tariff, Part VII, Subpart D, section 313
Decision Point III

- A. Decision Point III shall commence on the first Business Day immediately following the end of Phase II, and shall run concurrently with the Final Agreement Negotiation Phase. New Service Requests that are studied in Phase II will enter Decision Point III. Before the close of Decision Point III, Project Developer or Eligible Customer shall choose either to remain in the Cycle subject to the terms set forth below, or to withdraw its New Service Request.
1. Transmission Provider must receive from the Project Developer or Eligible Customer all of the following required elements before the close of Decision Point III for a New Service Request to remain in the Cycle and proceed through the Final Agreement Negotiation Phase as set forth below:
 - a. Security
 - i. Security shall be calculated for New Service Requests based upon Network Upgrades costs allocated pursuant to the Phase III System Impact Study Results.
 - b. Notification in writing that Project Developer or Eligible Customer elects to proceed to a final agreement with respect to its New Service Request
 - c. Project Developers must present evidence of Site Control that is in accordance with the Site Control rules set forth above in Tariff, Part VII, Subpart A, section 302, and is also in accordance with the following additional specifications:
 - i. Generating Facility or Merchant Transmission Facility Site Control evidence for an additional one-year term beginning from last day of the relevant Cycle, Phase III.
 - (a) Such Site Control evidence shall continue to cover 100 percent of the Generating Facility or Merchant Transmission Facility Site, including the location of the high-voltage side of the Generating Facility's main power transformer(s). Any modifications to Site Control must adhere to Tariff, Part VII, Subpart D, section 313(C) (New Service Request Modification Requests at Decision Point III).
 - ii. Interconnection Facilities (to the Point of Interconnection) Site Control evidence for an additional one-year term beginning from the last day of the relevant Cycle, Phase III.
 - (a) Such Site Control evidence shall cover 100 percent of the linear distance for the identified required Interconnection Facilities associated with a New Service Request.

- iii. Interconnection Switchyard, if applicable, Site Control evidence for an additional one-year term beginning from the last day of the relevant Cycle, Phase III.
 - (a) Such Site Control evidence shall cover 100 percent of the acreage required for the identified required Interconnection Switchyard associated with a New Service Request.
- iv. If Project Developer fails to produce all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with Tariff, Part VII, Subpart D, section 313(A)(1)(c)(i), (ii) and (iii) above, then Project Developer must provide evidence acceptable to Transmission Provider demonstrating that Project Developer is in negotiations with appropriate entities to meet the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with Tariff, Part VII, Subpart D, section 313(A)(1)(c)(i), (ii) and (iii) above.
 - (a) If Transmission Provider determines that the evidence of such negotiations is acceptable, then Transmission Provider shall add a condition precedent in the New Service Request final interconnection related agreement (from Tariff, Part IX) requiring that within 180 days from the effective date of such final agreement, all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VII, Subpart A, section 302, and in accordance with Tariff, Part VII, Subpart D, section 313(A)(1)(c)(i), (ii) and (iii) above, shall be met or, otherwise, such agreement shall automatically be deemed terminated and cancelled, and the related New Service Request shall automatically be deemed terminated and withdrawn from the Cycle.
 - (i) Such condition precedent shall not be extended under any circumstances for any reason.
- d. For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid interconnection request with the adjacent Control Area(s) in which it is interconnecting. Project Developer shall maintain its queue position(s) with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its queue position(s) with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn.

- e. Project Developer or Eligible Customer must provide evidence that it has: (i) entered a fuel delivery agreement and water agreement, if necessary, and that it controls any necessary rights-of-way for fuel and water interconnections; (ii) obtained any necessary local, county, and state site permits; and (iii) signed a memorandum of understanding for the acquisition of major equipment. If Project Developer or Eligible Customer does not satisfy these requirements, these requirements can be addressed through a milestone in the applicable interconnection-related service agreement entered into pursuant to Tariff, Part IX.
- f. For state-level, non-jurisdictional interconnection projects, evidence of a fully executed Interconnection Agreement with the applicable entity.
- g. If Project Developer or Eligible Customer fails to submit all of the criteria in Tariff, Part VII, Subpart D, section 313(A)(1)(a) through (f) above (noting the exception provided for Site Control), before the close of the Decision Point III Phase, Project Developer's or Eligible Customer's New Service Request shall be deemed terminated and withdrawn.

B. If Project Developer or Eligible Customer submits all elements in Tariff, Part VII, Subpart D, section 313(A)(1)(a) through (f) above, then, at the close of the Decision Point III, Transmission Provider will begin the deficiency review of the elements set forth in Tariff, Part VII, Subpart D, section 313(A)(1)(a) through (f) above, as follows:

- 1. Transmission Provider will exercise Reasonable Efforts to inform Project Developer or Eligible Customer of deficiencies within 10 Business Days after the close of Decision Point III.
- 2. Project Developer or Eligible Customer then has five Business Days to respond to Transmission Provider's deficiency determination.
- 3. Transmission Provider then will exercise Reasonable Efforts to review Project Developer's or Eligible Customer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or proceed to the Final Agreement Negotiation Phase.

Transmission Provider's review of the above required elements may run co-extensively with the Final Agreement Negotiation Phase.

- 4. If the New Service Request is deemed terminated and withdrawn by the Transmission Provider, then Transmission Provider shall:
 - a. remove the withdrawn New Service Request from the Cycle and terminate the New Service Request;
 - b. Readiness Deposits will be treated pursuant to Tariff, Part VII, Subpart A, section 301(A)(3).
 - c. At the conclusion of Transmission Provider's deficiency review for Decision Point III, refund to the Project Developer or Eligible Customer

up to 90 percent of its Study Deposit submitted with its New Service Request during the Application Phase, less any actual costs.

5. A Project Developer or Eligible Customer may withdraw its New Service Request during Decision Point III. If the Project Developer or Eligible Customer elects to withdraw its New Service Request during Decision Point III, the Transmission Provider must receive before the close of Decision Point III written notification from the Project Developer or Eligible Customer of Project Developer's or Eligible Customer's decision to withdraw its New Service Request. Following receipt of such written notification from the Project Developer or Eligible Customer, the Transmission Provider shall:
 - a. remove the withdrawn New Service Request from the Cycle and terminate the New Service Request;
 - b. Readiness Deposits will be treated pursuant to Tariff, Part VII, Subpart A, section 301(A)(3).
 - c. At the conclusion of Transmission Provider's deficiency review for Decision Point III, refund to the Project Developer or Eligible Customer up to 90 percent of its Study Deposit submitted with its New Service Request during the Application Phase, less any actual costs.
 - d. Adverse Study Impact Calculation. Notwithstanding the refund provisions in Tariff, Part VII, Subpart D, sections 313(B)(4)(b) and (c) and 313(B)(5)(b), Transmission Provider shall refund to Project Developer or Eligible Customer the cumulative Readiness Deposit amounts paid by Project Developer or Eligible Customer if the Project Developer's or Eligible Customer's Network Upgrade cost from Phase II to Phase III:
 - i. increases overall by 35 percent or more; and
 - ii. increased by more than \$25,000 per MW.

Network Upgrade costs shall include costs identified in Affected System studies in their respective phases.

C. New Service Request Modification Requests at Decision Point III

New Service Requests may not be changed or modified in any way for any reason during Decision Point III except as permitted below. A New Service Request must be withdrawn and resubmitted in a subsequent Cycle to the extent a Project Developer or Eligible Customer wants to make any changes to such New Service Request at this point in the Cycle process.

Project Developer may specify a change to the project Site that was previously submitted in Decision Point I only if:

1. The initial Site (as defined from Decision Point I) and the proposed Site are adjacent parcels or evidence of easements are provided between locations;

2. No modification to previously submitted parcels for Interconnection Facilities or Interconnection Switchyard is permitted if such modification affects issued System Impact Studies (I, II, and III) and Facilities Studies; and
3. Such Site Control is subject to the verification procedures set forth in Tariff, Part VII, Subpart D, section 313(A)(1)(c).

Demonstration of Site Control as to parcels submitted during Decision Point I that are no longer utilized in the Site is not required.

Tariff, Part VIII, Subpart C, section 406
Decision Point I

A. Requirements

The Decision Point I shall commence on the first Business Day immediately following the end of Phase I. New Service Requests that are studied in Phase I will enter Decision Point I. Before the close of the Decision Point I, Project Developer or Eligible Customer shall choose either to remain in the Cycle subject to the terms set forth below, or to withdraw its New Service Request.

1. For a New Service Request to remain in the Cycle, it must either proceed as set forth immediately below, or, if Transmission Provider determines a New Service Request qualifies to accelerate to a final interconnection related agreement (from Tariff, Part IX), such New Service Request must meet the requirements set forth below in Tariff, Part VIII, Subpart C, section 406(A)(2).
 - a. For a New Service Request that is not otherwise eligible to accelerate to a final interconnection related agreement (from Tariff, Part IX) to remain in the Cycle, Transmission Provider must receive from the Project Developer or Eligible Customer all of the following required elements before the close of Decision Point I:
 - i. The applicable Readiness Deposit No. 2
 - (a) The Decision Point I Readiness Deposit No. 2 is to be paid cumulatively, i.e., in addition to the Readiness Deposit No. 1 that was submitted with the New Service Request at the Application Phase. The Decision Point I Readiness Deposit No. 2 will be calculated by the Transmission Provider during Phase I, and shall not be reduced or refunded based upon subsequent New Service Request modifications or cost allocation changes.
 - (b) At Decision Point I, the Readiness Deposit No. 2 required shall be an amount equal to:
 - (i) the greater of (i) 10 percent of the cost allocation for the Network Upgrades as calculated in Phase I or (ii) the Readiness Deposit No. 1 paid by the Project Developer with its New Service Request during the Application Phase; minus
 - (ii) the Readiness Deposit No. 1 amount paid by the Project Developer with its New Service Request during the Application Phase

- (c) The Readiness Deposit No. 2 amount due can be zero, but cannot be a negative number (i.e., there will not be any refunded amounts associated with Readiness Deposit No. 2).
- b. Project Developers must provide evidence of Site Control that is in accordance with the Site Control rules set forth above in Tariff, Part VIII, Subpart A, section 402, and is also in accordance with the following additional specifications:
 - i. Generating Facility or Merchant Transmission Facility Site Control evidence for an additional one-year term beginning from last day of the relevant Cycle, Phase I.
 - (a) Such Site Control evidence shall continue to cover 100 percent of the Generating Facility or Merchant Transmission Facility Site, including the location of the high-voltage side of the Generating Facility's main power transformer(s). Any modifications to Site Control must adhere to Tariff, Part VIII, Subpart C, section 406(B)(5) (Generating Facility or Merchant Transmission Facility Site Changes).
 - (b) Interconnection Facilities (to the Point of Interconnection) Site Control evidence for a one-year term beginning from the last day of the relevant Cycle, Phase I.
 - (i) Such Site Control evidence shall cover 50 percent of the linear distance for the identified required Interconnection Facilities associated with a New Service Request.
 - (c) If applicable, Interconnection Switchyard Site Control evidence for a one-year term beginning from the last day of the relevant Cycle, Phase I.
 - (i) Such Site Control evidence shall cover 50 percent of the acreage required for the identified required Interconnection Switchyard facilities associated with a New Service Request.
- c. For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid corresponding interconnection request with any required adjacent Control Area(s) in which it is interconnecting or is

required to interconnect with as part of such Transmission Interconnection Request. Project Developer shall maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn, and will be removed from the Cycle.

- d. Evidence of air and water permits (if applicable)
- e. For state-level, non-jurisdictional interconnection projects, evidence of participation in the state-level interconnection process with the applicable entity.
- f. Submission of New Service Request data for Phase II System Impact Study.
- g. If Project Developer or Eligible Customer fails to submit all of the criteria in Tariff, Part VIII, Subpart C, section 406(A)(1)(a) through (f) above, before the close of the Decision Point I Phase, Project Developer's or Eligible Customer's New Service Request shall be deemed terminated and withdrawn.
- h. If Project Developer or Eligible Customer submits all elements in Tariff, Part VIII, Subpart C, section 406(A)(1)(a) through (f) above, then, at the close of the Decision Point I, Transmission Provider will begin the deficiency review of the elements set forth in Tariff, Part VIII, Subpart C, section 406(A)(1)(b) through (e) above, as follows:
 - i. Transmission Provider will exercise Reasonable Efforts to inform Project Developer or Eligible Customer of deficiencies within 10 Business Days after the close of Decision Point I.
 - ii. Project Developer or Eligible Customer then has five Business Days to respond to Transmission Provider's deficiency determination.
 - iii. Transmission Provider then will exercise Reasonable Efforts to review Project Developer's or Eligible Customer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or include the New Service Request in Phase II.

- iv. Transmission Provider's review of the above required elements may run co-extensively with Phase II.
- 2. Acceleration at Decision Point I. Only New Service Requests that have no cost allocation for Network Upgrades and do not require further studies are eligible for acceleration. Upon completion of the Phase I System Impact Study, Transmission Provider may accelerate treatment of such New Service Request.
 - a. For (i) a jurisdictional project that qualifies to accelerate, or (ii) a non-jurisdictional project that qualifies to accelerate and which retains a fully executed state level interconnection agreement with the applicable entity, to remain in the Cycle, Transmission Provider must receive from the Project Developer all of the following required elements before the close of Decision Point I:
 - i. Security
 - (a) Security shall be calculated for New Service Requests based upon based upon Network Upgrades costs allocated pursuant to the Phase I System Impact Study Results.
 - ii. Notification in writing that Project Developer or Eligible Customer elects to proceed to a final agreement with respect to its New Service Request
 - iii. Project Developer must provide evidence of Site Control that is in accordance with the Site Control rules set forth above in Tariff, Part VIII, Subpart A, section 402, and is also in accordance with the following additional specifications:
 - (a) Generating Facility or Merchant Transmission Facility Site Control evidence for an additional three-year term beginning from last day of the relevant Cycle, Phase I.
 - (i) Such Site Control evidence shall be identical to the Generating Facility or Merchant Transmission Facility Site Control evidence submitted for a New Service Request in the Application Phase, and shall continue to cover 100 percent of the Generating Facility Site, including the location of the high-voltage side of the Generating Facility's main power transformer(s).
 - (b) Interconnection Facilities (to the Point of Interconnection) Site Control evidence for a three-year term beginning from the last day of the relevant Cycle, Phase I.

- (i) Such Site Control evidence shall cover 100 percent of the linear distance for the identified required Interconnection Facilities associated with a New Service Request.
 - (c) If applicable, Interconnection Switchyard Site Control evidence for a three-year term beginning from the last day of the relevant Cycle, Phase I.
 - (i) Such Site Control evidence shall cover 100 percent of the acreage required identified required Interconnection Switchyard associated with a New Service Request.
- iv. If Project Developer fails to produce all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402 and in accordance with Tariff, Part VIII, Subpart C, section 406(A)(2)(a)(i), (ii) and (iii) above, then Project Developer must provide evidence acceptable to Transmission Provider demonstrating that Project Developer is in negotiations with appropriate entities to meet the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402, and in accordance with Tariff, Part VIII, Subpart C, section 406(A)(2)(a)(i), (ii) and (iii) above.
 - (a) If Transmission Provider determines that the evidence of such negotiations is acceptable, then Transmission Provider shall add a condition precedent in the New Service Request final interconnection related agreement (from Tariff, Part IX) requiring that within 180 days from the effective date of such final agreement, all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402, and in accordance with Tariff, Part VIII, Subpart C, section 406(A)(2)(a)(i), (ii) and (iii) above, shall be met or, otherwise, such agreement shall automatically be deemed terminated and cancelled, and the related New Service Request shall automatically be deemed terminated and withdrawn from the Cycle.
 - (1) Such condition precedent shall not be extended under any circumstances for any reason.
- b. Project Developer must provide evidence that it has: (i) entered a fuel delivery agreement and water agreement, if necessary, and that it controls

any necessary rights-of-way for fuel and water interconnections; (ii) obtained any necessary local, county, and state site permits; and (iii) signed a memorandum of understanding for the acquisition of major equipment.

- c. For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid corresponding interconnection request with any required adjacent Control Area(s) in which it is interconnecting or is required to interconnect with as part of such Transmission Interconnection Request. Project Developer shall maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn, and will be removed from the Cycle.
- d. For a non-jurisdictional project, evidence of a fully executed state level interconnection agreement with the applicable entity.
- e. If Project Developer or Eligible Customer fails to submit all of the criteria in Tariff, Part VIII, Subpart C, section 406(A)(2)(a) through (d) above (noting the exception provided for Site Control), before the close of the Decision Point I Phase, Project Developer's or Eligible Customer's New Service Request shall be deemed terminated and withdrawn.
- f. If Project Developer or Eligible Customer subject to Acceleration at Decision Point I submits all elements in Tariff, Part VIII, Subpart C, section 406(A)(2)(a) through (d) above, then, at the close of the Decision Point I, Transmission Provider will begin the deficiency review of the elements set forth in Tariff, Part VIII, Subpart C, section 406(A)(2)(a) through (d) above, as follows:
 - i. Transmission Provider will exercise Reasonable Efforts to inform Project Developer or Eligible Customer of deficiencies within 10 Business Days after the close of Decision Point I.
 - ii. Project Developer or Eligible Customer then has five Business Days to respond to Transmission Provider's deficiency determination.

- iii. Transmission Provider then will exercise Reasonable Efforts to review Project Developer's or Eligible Customer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or proceed to a final interconnection related agreement (from Tariff, Part IX). The final interconnection related agreement shall be negotiated and issued in accordance with the rules set forth in Tariff, Part VIII, Subpart D, section 411.
- 3. For a New Service Request for a non-jurisdictional project that qualifies to accelerate to a final interconnection related agreement (from Tariff, Part IX) but which has not yet secured a fully executed state level interconnection agreement with the applicable entity before the close of Decision Point I to remain in the Cycle, Transmission Provider must receive from the Project Developer all of the following required elements, before the close of Decision Point III:
 - a. Security. Security shall be calculated for New Service Requests based upon based upon Network Upgrades costs allocated pursuant to the Phase I System Impact Study Results.
 - b. Notification in writing that Project Developer elects to proceed to a final agreement with respect to its New Service Request
 - c. Evidence of Site Control that is in accordance with the Site Control rules set forth above in Tariff, Part VIII, Subpart A, section 402 and is also in accordance with the following additional specifications:
 - i. Generating Facility Site Control evidence is required to be maintained for an additional term beginning from last day of the relevant Cycle, Phase I that extends through full execution date of the relevant state level interconnection agreement with the applicable entity, plus three years beyond such full execution date of the relevant state level interconnection agreement with the applicable entity.
 - (a) Such Site Control evidence shall be identical to the Generating Facility Site Control evidence submitted for a New Service Request in the Application Phase, and shall continue to cover 100 percent of the Generating Facility Site, including the location of the high-voltage side of the Generating Facility's main power transformer(s).
 - ii. Interconnection Facilities (to the Point of Interconnection) Site Control evidence is required to be maintained for a term beginning from last day of the relevant Cycle, Phase I that extends through full execution date of the relevant state level interconnection agreement with the applicable entity, plus three years beyond such

full execution date of the relevant state level interconnection agreement with the applicable entity.

- (a) Such Site Control evidence shall cover 100 percent of the linear distance for the identified required Interconnection Facilities associated with a New Service Request.
- iii. If applicable, Interconnection Switchyard Site Control evidence is required to be maintained for a term beginning from last day of the relevant Cycle, Phase I that extends through full execution date of the relevant state level interconnection agreement with the applicable entity, plus three years beyond such full execution date of the relevant state level interconnection agreement with the applicable entity.
 - (a) Such Site Control evidence shall cover 100 percent of the acreage required for the identified required Interconnection Switchyard associated with a New Service Request.
- iv. PJM may request evidence of the required Site Control at any point beginning from last day of the relevant Cycle, Phase I through a date that extends three years beyond the full execution date of the relevant state level interconnection agreement with the applicable entity
- v. If Project Developer fails to produce all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402 and in accordance with Tariff, Part VIII, section 406(A)(3)(c)(i), (ii) and (iii) above, then Project Developer must provide evidence acceptable to Transmission Provider demonstrating that Project Developer is in negotiations with appropriate entities to meet the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402, and in accordance with Tariff, Part VIII, section 406(A)(3)(c)(i), (ii) and (iii) above.
 - (a) If Transmission Provider determines that the evidence of such negotiations is acceptable, then Transmission Provider shall add a condition precedent in the New Service Request final interconnection related agreement (from Tariff, Part IX) requiring that within 180 days from the effective date of such final agreement, all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402, and in accordance with Tariff, Part VIII, section 406(A)(3)(c)(i), (ii) and (iii) above, shall be met or, otherwise, such agreement shall

automatically be deemed terminated and cancelled, and the related New Service Request shall automatically be deemed terminated and withdrawn from the Cycle.

- (i) Such condition precedent shall not be extended under any circumstances for any reason.
- d. For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid corresponding interconnection request with any required adjacent Control Area(s) in which it is interconnecting or is required to interconnect with as part of such Transmission Interconnection Request. Project Developer shall maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn, and will be removed from the Cycle
- e. Evidence of a fully executed state level Interconnection Agreement with the applicable entity
- f. Project Developer must provide evidence that it has: (i) entered a fuel delivery agreement and water agreement, if necessary, and that it controls any necessary rights-of-way for fuel and water interconnections; (ii) obtained any necessary local, county, and state site permits; and (iii) signed a memorandum of understanding for the acquisition of major equipment.
- g. If Project Developer fails to submit all of the criteria in Tariff, Part VIII, section 406(A)(3)(a) through (f) above (noting the exception provided for Site Control), before the close of the Decision Point III Phase, Project Developer's New Service Request shall be deemed terminated and withdrawn.
- h. When Project Developer meets all of the requirements above, then, at the point at which the last required piece of evidence as set forth in Tariff, Part VIII, section 406(A)(3)(a) through (f) above was submitted, Transmission Provider will begin the deficiency review

of the elements set forth in Tariff, Part VIII, section 406(A)(3)(a) through (f) above, as follows:

- i. Transmission Provider will exercise Reasonable Efforts to inform Project Developer of deficiencies within 10 Business Days after the close of Decision Point I.
- ii. Project Developer then has five Business Days to respond to Transmission Provider's deficiency determination.
- iii. Transmission Provider then will exercise Reasonable Efforts to review Project Developer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or proceed to a final interconnection related agreement (from Tariff, Part IX). The final interconnection related agreement shall be negotiated and issued in accordance with the rules set forth in Tariff, Part VIII, Subpart D, section 411.

4. New Service Request Withdraw or Termination at Decision Point I

- a. A Project Developer or Eligible Customer may withdraw its New Service Request during Decision Point I. If the Project Developer or Eligible Customer elects to withdraw its New Service Request during Decision Point I, the Transmission Provider must receive before the close of the Decision Point I Phase written notification from the Project Developer or Eligible Customer of Project Developer's or Eligible Customer's decision to withdraw its New Service Request.
- b. Transmission Provider may deem a New Service Request terminated and withdrawn for failing to meet any of the Decision Point I requirements, as set forth in this Tariff, Part VIII, Subpart C, section 406.
- c. If a New Service Request is either withdrawn or deemed terminated and withdrawn, it will be removed from the relevant Cycle, and Readiness Deposits and Study Deposits will be disbursed as follows:
 - i. For Readiness Deposits:
 - (a) At the conclusion of Transmission Provider's deficiency review for Decision Point I or upon voluntary withdrawal of a New Service Request, refund to the Project Developer or Eligible Customer 50 percent of Readiness Deposit No. 1 paid by the Project Developer or Eligible Customer with its New Service Request during the Application Phase, and 100 percent of Readiness Deposit No. 2 paid by the Project

Developer or Eligible Customer during this Decision Point I; and

(b) At the conclusion of the Cycle, refund to Project Developer or Eligible Customer up to 50 percent of Readiness Deposit No. 1 pursuant to Tariff, Part VIII, Subpart A, section 401(D)(2)(c).

ii. At the conclusion of Transmission Provider's deficiency review for Decision Point I, refund to the Project Developer or Eligible Customer up to 90 percent of its Study Deposit submitted with its New Service Request during the Application Phase, less any actual costs.

B. New Service Request Modification Requests at Decision Point I

1. Project Developer or Eligible Customer may not request a modification that is not expressly allowed. To the extent Project Developer or Eligible Customer desires a modification that is not expressly allowed, Project Developer or Eligible Customer must withdraw its New Service Request and resubmit the New Service Request with the proposed modification in a subsequent Cycle.
2. Reductions in Maximum Facility Output and/or Capacity Interconnection Rights. Project Developer may reduce the previously requested New Service Request Maximum Facility Output and/or Capacity Interconnection Rights values, up to 100 percent of the requested amount
3. Fuel Changes. The fuel type specified in the New Service Request may not be changed or modified in any way for any reason, except that for New Service Requests that involve multiple fuel types, removal of a fuel type through these reduction rules will not constitute a fuel type change.
4. Point of Interconnection.
 - a. The Point of Interconnection must be finalized before the close of the Decision Point I Phase.
 - i. Project Developer may only move the location of the Point of Interconnection 1) along the same segment of transmission line, as defined by the two electrical nodes located on the transmission line as modeled in the Phase I Base Case Data, or 2) move the location of the Point of Interconnection to a different breaker position within the same substation, subject to Transmission Owner review and approval. Project Developer may not modify its Point of Interconnection to/from a transmission line from/to a direct connection into a substation.

- (a) Project Developer must notify Transmission Provider in writing of any changes to its Point of Interconnection prior to the close of Decision Point I. No modifications to the Point of Interconnection will be accepted for any reason after the close of Decision Point I.

5. Generating Facility or Merchant Transmission Facility Site Changes

Project Developer may specify a change to the project Site that was previously submitted in the Application Phase only if:

- a. The initial Site and the proposed Site are adjacent parcels or evidence of easements between locations is provided; and
- b. Such Site Control is subject to the verification procedures set forth in Tariff, Subpart C, sections 406(A)(1) and 406(A)(3).

Demonstration of Site Control as to parcels submitted in the Application Phase that are no longer utilized in the Site is not required.

6. Equipment Changes

- a. During Decision Point I, Project Developer may modify its Interconnection Request for updated equipment data. Project Developer shall submit machine modeling data as specified in the PJM Manuals before the close of Decision Point I.

Tariff, Part VIII, Subpart C, section 408
Decision Point II

A. Requirements

Decision Point II shall commence on the first Business Day immediately following the end of Phase II. New Service Requests that are studied in Phase II will enter Decision Point II. Before the close of Decision Point II, Project Developer or Eligible Customer shall choose either to remain in the Cycle subject to the terms set forth below, or to withdraw its New Service Request.

1. For a New Service Request to remain in the Cycle, it must either proceed as set forth immediately below, or, if Transmission Provider determines a New Service Request qualifies to accelerate to a final interconnection related agreement (from Tariff, Part IX), such new Service Request must meet the requirements set forth below in Tariff, Part VIII, Subpart C, section 408(A)(2)(d).
 - a. For a New Service Request that is not otherwise eligible to accelerate to a final interconnection related agreement (from Tariff, Part IX) to remain in the Cycle, Transmission Provider must receive from the Project Developer or Eligible Customer all of the following required elements before the close of Decision Point II:
 - b. The applicable Readiness Deposit No. 3
 - i. The Decision Point II Readiness Deposit No. 3 to be paid cumulatively, i.e., in addition to the Readiness Deposit No. 1 that was submitted with the New Service Request at the Application Phase, and the Readiness Deposit No. 2 that was submitted at Decision Point I. The Decision Point II Readiness Deposit No. 3 will be calculated by the Transmission Provider during Phase II, and shall not be reduced or refunded based upon subsequent New Service Request modifications or cost allocation changes.
 - ii. The Decision Point II Readiness Deposit No. 3 required amount shall be an amount equal to the greater of:
 - (a) (i) 20 percent of the cost allocation for the Network Upgrades as calculated in Phase II or (ii) the Readiness Deposit No. 1 paid by the Project Developer or Eligible Customer with its New Service Request during the Application Phase plus the Readiness Deposit No. 2 paid by the Project Developer or Eligible Customer with its New Service Request during Decision Point I; minus

- (b) the Readiness Deposit No. 1 amount paid by the Project Developer with its New Service Request during the Application Phase, plus the Readiness Deposit No. 2 amount paid by the Project Developer or Eligible Customer with its New Service Request during Decision Point I.
- iii. The Readiness Deposit No. 3 amount due can be zero, but cannot be a negative number (i.e., there will not be any refunded amounts associated with Readiness Deposit No. 3).
- c. Notification in writing that Project Developer or Eligible Customer elects to exercise the Option to Build for Stand Alone Network Upgrades identified with respect to its New Service Request.
- d. Evidence of Site Control. There are no Site Control evidentiary requirements at Decision Point II.
- e. Evidence of air and water permits (if applicable).
- f. For state-level, non-jurisdictional interconnection projects, evidence of participation in the state-level interconnection process with the applicable entity.
- g. Submission of New Service Request Data for Phase III System Impact Study data.
- h. Evidence that Project Developer or Eligible Customer entered into a fully executed Affected System Study Agreement, if applicable to its New Service Request by the later of Decision Point II or 60 days after notification from Transmission Provider that an Affected System Study Agreement is required.
- i. For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid interconnection request with the adjacent Control Area(s) in which it is interconnecting. Project Developer shall maintain its queue position(s) with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its queue position(s) with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn.

- j. If Project Developer or Eligible Customer fails to submit all of the criteria in Tariff, Part VIII, Subpart C, section 408(A)(1)(a) through (i) above, before the close of Decision Point II, Project Developer's or Eligible Customer's New Service Request shall be deemed terminated and withdrawn.
2. If Project Developer or Eligible Customer submits all elements in Tariff, Part VIII, Subpart C, section 408(A)(1)(a) through (i) above, then, at the close of the Decision Point II, Transmission Provider will begin the deficiency review of the elements set forth in Tariff, Part VIII, Subpart C, section 408(A)(1)(a) through (i) above, as follows:
- a. Transmission Provider will exercise Reasonable Efforts to inform Project Developer or Eligible Customer of deficiencies within 10 Business Days after the close of Decision Point II.
 - b. Project Developer or Eligible Customer then has five Business Days to respond to Transmission Provider's deficiency determination.
 - c. Transmission Provider then will exercise Reasonable Efforts to review Project Developer's or Eligible Customer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or include the New Service Request in Phase III.
 - i. Transmission Provider's review of the above required elements may run co-extensively with Phase III.
 - d. Acceleration at Decision Point II. Only New Service Requests that have no cost allocation for Network Upgrades and do not require further studies are eligible for acceleration. Upon completion of the Phase II System Impact Study, Transmission Provider may accelerate treatment of such New Service Request.
 - i. For (i) a jurisdictional project that qualifies to accelerate, or (ii) a non-jurisdictional project that qualifies to accelerate and which retains a fully executed state level interconnection agreement with the applicable entity, to remain in the Cycle, Transmission Provider must receive from the Project Developer or Eligible Customer all of the following required elements before the close of Decision Point II:
 - (a) Security
 - (i) Security shall be calculated for New Service Requests based upon based upon Network Upgrades

costs allocated pursuant to the Phase II System Impact Study Results.

- (b) Notification in writing that Project Developer or Eligible Customer elects to proceed to a final agreement with respect to its New Service Request
- (c) Evidence of Site Control that is in accordance with the Site Control rules set forth above in Tariff, Part VIII, Subpart A, section 402, and is also in accordance with the following additional specifications:
 - (i) Generating Facility or Merchant Transmission Facility Site Control evidence for an additional three-year term beginning from last day of the relevant Cycle, Phase II.
 - (1) Such Site Control evidence shall be identical to the Generating Facility or Merchant Transmission Facility Site Control evidence submitted for a New Service Request in the Application Phase, and shall continue to cover 100 percent of the Generating Facility Site, including the location of the high-voltage side of the Generating Facility's main power transformer(s).
 - (ii) Interconnection Facilities (to the Point of Interconnection) Site Control evidence for a three-year term beginning from the last day of the relevant Cycle, Phase II.
 - (1) Such Site Control evidence shall cover 100 percent of the linear distance for identified required Interconnection Facilities associated with a New Service Request.
 - (iii) If applicable, Interconnection Switchyard Site Control evidence for a three-year term beginning from the last day of the relevant Cycle, Phase II.
 - (1) Such Site Control evidence shall cover 100 percent of the acreage required for the identified required Interconnection Switchyard associated with a New Service Request.

- e. If Project Developer fails to produce all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402, and in accordance with Tariff, Part VIII, Subpart C, section 408(A)(2)(d)(i)(c)(i), (ii) and (iii) above, then Project Developer must provide evidence acceptable to Transmission Provider demonstrating that Project Developer is in negotiations with appropriate entities to meet the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402 and in accordance with Tariff, Part VIII, Subpart C, section 408(A)(2)(d)(i)(c)(i), (ii) and (iii) above.
- i. If Transmission Provider determines that the evidence of such negotiations is acceptable, then Transmission Provider shall add a condition precedent in the New Service Request final interconnection related agreement (from Tariff, Part IX) requiring that within 180 days from the effective date of such final agreement, all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402 and in accordance with Tariff, Part VIII, Subpart C, section 408(A)(2)(d)(i)(c)(i), (ii) and (iii) above, shall be met or, otherwise, such agreement shall automatically be deemed terminated and cancelled, and the related New Service Request shall automatically be deemed terminated and withdrawn from the Cycle.
 - (a) Such condition precedent shall not be extended under any circumstances for any reason.
 - (b) Project Developer must provide evidence that it has: (i) entered a fuel delivery agreement and water agreement, if necessary, and that it controls any necessary rights-of-way for fuel and water interconnections; (ii) obtained any necessary local, county, and state site permits; and (iii) signed a memorandum of understanding for the acquisition of major equipment.
 - (c) For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid corresponding interconnection request with any required adjacent Control Area(s) in which it is interconnecting or is required to interconnect with as part of such Transmission Interconnection Request. Project Developer shall maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission

Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn, and will be removed from the Cycle.

- (d) For a non-jurisdictional project, evidence of a fully executed state level interconnection agreement with the applicable entity.
- (e) If Project Developer or Eligible Customer fails to submit all of the criteria in Tariff, Part VIII, Subpart C, section 408(A)(2)(e)(i)(a) through (d) above (noting the exception provided for Site Control), before the close of Decision Point II, Project Developer's or Eligible Customer's New Service Request shall be deemed terminated and withdrawn.
- (f) If Project Developer or Eligible Customer submits all elements in Tariff, Part VIII, Subpart C, section 408(A)(2)(e)(i)(a) through (d) above, then, at the close of the Decision Point II, Transmission Provider will begin the deficiency review of the elements set forth in Tariff, Part VIII, Subpart C, section 408(A)(2)(e)(i)(a) through (d) above, as follows:
 - (i) Transmission Provider will exercise Reasonable Efforts to inform Project Developer or Eligible Customer of deficiencies within 10 Business Days after the close of Decision Point I.
 - (ii) Project Developer or Eligible Customer then has five Business Days to respond to Transmission Provider's deficiency determination.
 - (iii) Transmission Provider then will exercise Reasonable Efforts to review Project Developer's or Eligible Customer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or proceed to a final interconnection related agreement (from Tariff, Part IX). The final interconnection related agreement

shall be negotiated and issued in accordance with the rules set forth in Tariff, Part VIII, Subpart D, section 411.

- (g) For a New Service Request for a non-jurisdictional project that qualifies to accelerate to a final interconnection related agreement (from Tariff, Part IX) but which has not yet secured a fully executed state level interconnection agreement with the applicable entity before the close of Decision Point II to remain in the Cycle, Transmission Provider must receive from the Project Developer all of the following required elements, before the close of Decision Point III:
 - (h) Security. Security shall be calculated for New Service Requests based upon based upon Network Upgrades costs allocated pursuant to the Phase II System Impact Study Results.
 - (i) Notification in writing that Project Developer elects to proceed to a final agreement with respect to its New Service Request
 - (j) Evidence of Site Control that is in accordance with the Site Control rules set forth above in Tariff, Part VIII, Subpart A, section 402, and is also in accordance with the following additional specifications:
 - (i) Generating Facility Site Control evidence is required to be maintained for an additional term beginning from last day of the relevant Cycle, Phase II that extends through full execution date of the relevant state level interconnection agreement with the applicable entity, plus three years beyond such full execution date of the relevant state level interconnection agreement with the applicable entity.
 - (1) Such Site Control evidence shall be identical to the Generating Facility Site Control evidence submitted for a New Service Request in the Application Phase, and shall continue to cover 100 percent of the Generating Facility Site, including the location of the high-voltage side of the

Generating Facility's main power transformer(s).

- (ii) Interconnection Facilities (to the Point of Interconnection) Site Control evidence is required to be maintained for a term beginning from last day of the relevant Cycle, Phase II that extends through the full execution date of the relevant state level interconnection agreement with the applicable entity, plus three years beyond such full execution date of the relevant state level interconnection agreement with the applicable entity.
 - (1) Such Site Control evidence shall cover 100% percent of linear distance for the identified required Interconnection Facilities associated with a New Service Request.
- (iii) If applicable, Interconnection Switchyard Site Control evidence is required to be maintained for a term beginning from last day of the relevant Cycle, Phase II that extends through full execution date of the relevant state level interconnection agreement with the applicable entity, plus three years beyond such full execution date of the relevant state level interconnection agreement with the applicable entity.
 - (1) Such Site Control evidence shall cover 100 percent of acreage required for the identified required Interconnection Switchyard associated with a New Service Request.
- (iv) PJM may request evidence of the required Site Control at any point beginning from last day of the relevant Cycle, Phase II through a date that extends three years beyond the full execution date of the relevant state level interconnection agreement with the applicable entity
- (v) If Project Developer fails to produce all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402, and in accordance with Tariff, Part VIII, Subpart C, section 408(A)(2)(j)(i), (ii) and (iii) above, then Project Developer must provide

evidence acceptable to Transmission Provider demonstrating that Project Developer is in negotiations with appropriate entities to meet the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402, and in accordance with Tariff, Part VIII, Subpart C, section 408(A)(2)(j)(i), (ii) and (iii) above.

- (1) If Transmission Provider determines that the evidence of such negotiations is acceptable, then Transmission Provider shall add a condition precedent in the New Service Request final interconnection related agreement (from Tariff, Part IX) requiring that within 180 days from the effective date of such final agreement, all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402 and in accordance with Tariff, Part VIII, Subpart C, section 408(A)(2)(j)(i), (ii) and (iii) above, shall be met or, otherwise, such agreement shall automatically be deemed terminated and cancelled, and the related New Service Request shall automatically be deemed terminated and withdrawn from the Cycle.

- (1.a) Such condition precedent shall not be extended under any circumstances for any reason.

- (k) For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid corresponding interconnection request with any required adjacent Control Area(s) in which it is interconnecting or is required to interconnect with as part of such Transmission Interconnection Request. Project Developer shall maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its interconnection request positions with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process

for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn, and will be removed from the Cycle

- (l) Evidence of a fully executed state level Interconnection Agreement with the applicable entity
- (m) Project Developer must provide evidence that it has: (i) entered a fuel delivery agreement and water agreement, if necessary, and that it controls any necessary rights-of-way for fuel and water interconnections; (ii) obtained any necessary local, county, and state site permits; and (iii) signed a memorandum of understanding for the acquisition of major equipment.
- (n) If Project Developer or Eligible Customer fails to submit all of the criteria in Tariff, Part VIII, Subpart C, section 408(A)(2)(a) through (m) above (noting the exception provided for Site Control), before the close of the Decision Point III Phase, Project Developer's or Eligible Customer's New Service Request shall be deemed terminated and withdrawn.
- (o) When Project Developer or Eligible Customer meets all of the requirements above, then, at the point at which the last required piece of evidence as set forth in Tariff, Part VIII, Subpart C, section 408(A)(2)(a) through (m) above was submitted, Transmission Provider will begin the deficiency review of the elements set forth in Tariff, Part VIII, Subpart C, section 408(A)(2)(a) through (m) above, as follows:
 - (i) Transmission Provider will exercise Reasonable Efforts to inform Project Developer or Eligible Customer of deficiencies within 10 Business Days after the close of Decision Point I.
 - (ii) Project Developer or Eligible Customer then has five Business Days to respond to Transmission Provider's deficiency determination.
 - (iii) Transmission Provider then will exercise Reasonable Efforts to review Project Developer's or Eligible Customer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or proceed to a final

interconnection related agreement (from Tariff, Part IX). The final interconnection related agreement shall be negotiated and issued in accordance with the rules set forth in Tariff, Part VIII, Subpart D, section 411.

B. New Service Request Withdraw or Termination at Decision Point II

1. A Project Developer or Eligible Customer may withdraw its New Service Request during Decision Point II. If the Project Developer or Eligible Customer elects to withdraw its New Service Request during Decision Point II, the Transmission Provider must receive before the close of the Decision Point II Phase written notification from the Project Developer or Eligible Customer of Project Developer's or Eligible Customer's decision to withdraw its New Service Request.
2. Transmission Provider may deem a New Service Request terminated and withdrawn for failing to meet any of the Decision Point II requirements, as set forth in this Tariff, Part VIII, Subpart C, section 408.
3. If a New Service Request is either withdrawn or deemed terminated and withdrawn, it will be removed from the relevant Cycle, and Readiness Deposits and Study Deposits will be disbursed as follows:
 - a. For Readiness Deposits:
 - i. At the conclusion of Transmission Provider's deficiency review for Decision Point II, refund to Project Developer or Eligible Customer 100 percent of Readiness Deposit No. 2 paid by the Project Developer or Eligible Customer during Decision Point I;
 - ii. At the conclusion of the Cycle, refund to Project Developer or Eligible Customer up to 100 percent of Readiness Deposit No. 1 pursuant to Tariff, Part VIII, Subpart A, section 401(D)(2)(c).
 - b. For Study Deposits:
 - i. At the conclusion of Transmission Provider's deficiency review for Decision Point II, refund to the Project Developer or Eligible Customer up to 90 percent of its Study Deposit submitted with its New Service Request during the Application Phase, less any actual costs.
 - c. Adverse Study Impact Calculation. Notwithstanding the refund provisions in Tariff, Part VIII, Subpart C, section 408(B)(3)(a) and (b)(i), Transmission Provider shall refund to Project Developer or Eligible

Customer the cumulative Readiness Deposit amounts paid by Project Developer or Eligible Customer at the Application Phase and at the Decision Point I Phase if the Project Developer's Network Upgrade cost from Phase I to Phase II:

- i. increases overall by 25 percent or more; and
- ii. increases by more than \$10,000 per MW.

Network Upgrade costs shall include costs identified in Affected System studies in their respective phases.

4. New Service Request Modification Requests at Decision Point II

- a. Project Developer or Eligible Customer may not request a modification that is not expressly allowed. To the extent Project Developer or Eligible Customer desires a modification that is not expressly allowed, Project Developer or Eligible Customer must withdraw its New Service Request and resubmit the New Service Request with the proposed modification in a subsequent Cycle.
- b. Reductions in Maximum Facility Output and/or Capacity Interconnection Rights. Project Developer may reduce the previously requested New Service Request Maximum Facility Output and/or Capacity Interconnection Rights values, up to 10 percent of the values studied in Phase II.
- c. Fuel Changes. The fuel type specified in the New Service Request may not be changed or modified in any way for any reason, except that for New Service Requests that involve multiple fuel types, removal of a fuel type through these reduction rules will not constitute a fuel type change.
- d. Point of Interconnection. The Point of Interconnection may not be changed or modified in any way for any reason at this point in the Cycle process.
- e. Generating Facility or Merchant Transmission Facility Site Changes. Project Developer may pursue changes during this time, however, demonstration of Site Control is not required during Decision Point II. Any changes made to Site Control during Decision Point II will be subject to and evaluated consistent with the modification requirements at Decision Point III.
- f. Equipment Changes

During Decision Point II, Project Developer is limited to modifying its New Service Request to Permissible Technological Advancement changes only. Project Developer shall submit machine modeling data as specified

in the PJM Manuals associated with the Permissible Technological Advancement before the close of Decision Point II.

Tariff, Part VIII, Subpart C, section 410
Decision Point III

- A. Decision Point III shall commence on the first Business Day immediately following the end of Phase II, and shall run concurrently with the Final Agreement Negotiation Phase. New Service Requests that are studied in Phase II will enter Decision Point III. Before the close of Decision Point III, Project Developer or Eligible Customer shall choose either to remain in the Cycle subject to the terms set forth below, or to withdraw its New Service Request.
1. Transmission Provider must receive from the Project Developer or Eligible Customer all of the following required elements before the close of Decision Point III for a New Service Request to remain in the Cycle and proceed through the Final Agreement Negotiation Phase as set forth below:
 - a. Security
 - i. Security shall be calculated for New Service Requests based upon based upon Network Upgrades costs allocated pursuant to the Phase III System Impact Study Results.
 - b. Notification in writing that Project Developer or Eligible Customer elects to proceed to a final agreement with respect to its New Service Request
 - c. Project Developers must present evidence of Site Control that is in accordance with the Site Control rules set forth above in Tariff, Part VIII, Subpart A, section 402, and is also in accordance with the following additional specifications:
 - i. Generating Facility or Merchant Transmission Facility Site Control evidence for an additional three-year term beginning from last day of the relevant Cycle, Phase III.
 - (a) Such Site Control evidence shall continue to cover 100 percent of the Generating Facility or Merchant Transmission Facility Site, including the location of the high-voltage side of the Generating Facility's main power transformer(s). Any modifications to Site Control must adhere to Tariff, Part VIII, Subpart C, section 410(C) (New Service Request Modification Requests at Decision Point III).
 - ii. Interconnection Facilities (to the Point of Interconnection) Site Control evidence for an additional three-year term beginning from the last day of the relevant Cycle, Phase III.

- (a) Such Site Control evidence shall cover 100 percent of the linear distance for the identified required Interconnection Facilities associated with a New Service Request.
 - iii. Interconnection Switchyard, if applicable, Site Control evidence for an additional three-year term beginning from the last day of the relevant Cycle, Phase III.
 - (a) Such Site Control evidence shall cover 100 percent of the acreage required for the identified required Interconnection Switchyard associated with a New Service Request.
 - iv. If Project Developer fails to produce all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VIII, Subpart, section 402, and in accordance with Tariff, Part VIII, Subpart C, section 410(A)(1)(c)(i), (ii) and (iii) above, then Project Developer must provide evidence acceptable to Transmission Provider demonstrating that Project Developer is in negotiations with appropriate entities to meet the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402 and in accordance with Tariff, Part VIII, Subpart C, section 410(A)(1)(c)(i), (ii) and (iii) above.
 - (a) If Transmission Provider determines that the evidence of such negotiations is acceptable, then Transmission Provider shall add a condition precedent in the New Service Request final interconnection related agreement (from Tariff, Part IX) requiring that within 180 days from the effective date of such final agreement, all required Site Control evidence in accordance with the Site Control rules set forth in Tariff, Part VIII, Subpart A, section 402, and in accordance with Tariff, Part VIII, Subpart C, section 410(A)(1)(c)(i), (ii) and (iii) above, shall be met or, otherwise, such agreement shall automatically be deemed terminated and cancelled, and the related New Service Request shall automatically be deemed terminated and withdrawn from the Cycle.
 - (i) Such condition precedent shall not be extended under any circumstances for any reason.
- d. For a Project Developer that has submitted a Transmission Interconnection Request, Project Developer shall provide evidence acceptable to the Transmission Provider that Project Developer has submitted and maintained a valid interconnection request with the adjacent Control Area(s) in which it is interconnecting. Project Developer shall maintain its queue position(s) with such adjacent Control Area(s) throughout the entire

PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request. If Project Developer fails to maintain its queue position(s) with such adjacent Control Area(s) throughout the entire PJM Transmission Interconnection Request process for the relevant PJM Transmission Interconnection Request, the relevant PJM Transmission Interconnection Request shall be deemed to be terminated and withdrawn.

- e. Project Developer or Eligible Customer must provide evidence that it has: (i) entered a fuel delivery agreement and water agreement, if necessary, and that it controls any necessary rights-of-way for fuel and water interconnections; (ii) obtained any necessary local, county, and state site permits; and (iii) signed a memorandum of understanding for the acquisition of major equipment. If Project Developer or Eligible Customer does not satisfy these requirements, these requirements can be addressed through a milestone in the applicable interconnection-related service agreement entered into pursuant to Tariff, Part IX.
- f. For state-level, non-jurisdictional interconnection projects, evidence of a fully executed Interconnection Agreement with the applicable entity.
- g. If Project Developer or Eligible Customer fails to submit all of the criteria in Tariff, Part VIII, Subpart C, section 410(A)(1)(d)(a) through (f) above (noting the exception provided for Site Control), before the close of the Decision Point III Phase, Project Developer's or Eligible Customer's New Service Request shall be deemed terminated and withdrawn.

B. If Project Developer or Eligible Customer submits all elements in Tariff, Part VIII, Subpart C, section 410(A)(1)(d)(a) through (f) above, then, at the close of the Decision Point III, Transmission Provider will begin the deficiency review of the elements set forth in Tariff, Part VIII, Subpart C, section 410(A)(1)(d)(a) through (e) above, as follows:

- 1. Transmission Provider will exercise Reasonable Efforts to inform Project Developer or Eligible Customer of deficiencies within 10 Business Days after the close of Decision Point III.
- 2. Project Developer or Eligible Customer then has five Business Days to respond to Transmission Provider's deficiency determination.
- 3. Transmission Provider then will exercise Reasonable Efforts to review Project Developer's or Eligible Customer's response within 10 Business Days, and then will either terminate and withdraw the New Service Request, or proceed to the Final Agreement Negotiation Phase.

Transmission Provider's review of the above required elements may run co-extensively with the Final Agreement Negotiation Phase.

4. If the New Service Request is deemed terminated and withdrawn by the Transmission Provider, then Transmission Provider shall:
 - a. remove the withdrawn New Service Request from the Cycle and terminate the New Service Request;
 - b. Readiness Deposits will be treated pursuant to Tariff, Part VIII, Subpart A, section 401(D)(2)(c).
 - c. At the conclusion of Transmission Provider's deficiency review for Decision Point III, refund to the Project Developer or Eligible Customer up to 90 percent of its Study Deposit submitted with its New Service Request during the Application Phase, less any actual costs.
5. A Project Developer or Eligible Customer may withdraw its New Service Request during Decision Point III. If the Project Developer or Eligible Customer elects to withdraw its New Service Request during Decision Point III, the Transmission Provider must receive before the close of Decision Point III written notification from the Project Developer or Eligible Customer of its decision to withdraw its New Service Request. Following receipt of such written notification from the Project Developer or Eligible Customer, the Transmission Provider shall:
 - a. remove the withdrawn New Service Request from the Cycle and terminate the New Service Request;
 - b. Readiness Deposits will be treated pursuant to Tariff, Part VIII, Subpart A, section 401(D)(2)(c).
 - c. At the conclusion of Transmission Provider's deficiency review for Decision Point III, refund to the Project Developer or Eligible Customer up to 90 percent of its Study Deposit submitted with its New Service Request during the Application Phase, less any actual costs.
 - d. Adverse Study Impact Calculation. Notwithstanding the refund provisions in Tariff, Part VIII, Subpart C, section 410(B)(4)(b) and (c), and 410(B)(5)(b), Transmission Provider shall refund to Project Developer or Eligible Customer the cumulative Readiness Deposit amounts paid by Project Developer or Eligible Customer if the Project Developer's or Eligible Customer's Network Upgrade cost from Phase II to Phase III:
 - i. increases overall by 35 percent or more; and
 - ii. increased by more than \$25,000 per MW.

Network Upgrade costs shall include costs identified in Affected System studies in their respective phases.

C. New Service Request Modification Requests at Decision Point III

New Service Requests may not be changed or modified in any way for any reason during Decision Point III except as permitted below. A New Service Request must be withdrawn and resubmitted in a subsequent Cycle to the extent a Project Developer or Eligible Customer wants to make any changes to such New Service Request at this point in the Cycle process.

Project Developer may specify a change to the project Site that was previously submitted in Decision Point I only if:

1. The initial Site (as defined from Decision Point I) and the proposed Site are adjacent parcels or evidence of easements between locations is provided;
2. No modification to previously submitted parcels for Interconnection Facilities or Interconnection Switchyard is permitted if such modification affects issued System Impact Studies (I, II, and III) and Facilities Studies; and
3. Such Site Control is subject to the verification procedures set forth in Tariff, Part VIII, Subpart C, section 410(A)(1)(c).

Demonstration of Site Control as to parcels submitted during Decision Point I that are no longer utilized in the Site is not required.

3 Modification of Facilities

3.1 General:

Subject to Applicable Laws and Regulations and to any applicable requirements or conditions of the Tariff and the Operating Agreement, either Interconnected Entity may undertake modifications to its facilities ("Planned Modifications"). In the event that an Interconnected Entity plans to undertake a modification, that Interconnected Entity, in accordance with Good Utility Practice, shall provide notice to the other Interconnection Parties with sufficient information regarding such modification, including any modification to its project that causes the project's capacity, location, configuration or technology to differ from any corresponding information provided in the Interconnection Request, so that the other Interconnection Parties may evaluate the potential impact of such modification prior to commencement of the work. The Interconnected Entity may make changes to SCHEDULE A GENERATING FACILITY LOCATION/SITE PLAN and corresponding Site Control parcels provided they demonstrate to Transmission Provider that the change does not adversely impact the timing of milestones or Transmission Owner construction schedule. Project Developer shall submit to Transmission Provider an attestation in accordance with the PJM template that the modification to SCHEDULE A will have no impact on the overall timing of milestones (including backfeed date). Additionally, the attestation shall include acknowledgement from Project Developer that they waive the ability to request future milestone extensions related to permits or other land issues. In the event Transmission Provider determines the change impacts modeling assumptions, the Interconnected Entity desiring to perform such modification shall provide the relevant drawings, plans, specifications and models to the other Interconnection Parties in advance of the beginning of the work. Transmission Provider and the applicable Interconnection Entity shall enter into a Necessary Studies Agreement, a form is located in the Tariff, Part IX, pursuant to which Transmission Provider agrees to conduct the necessary studies to determine whether the Planned Modifications will have a permanent material impact on the Transmission System or would constitute a Material Modification, and to identify the additions, modifications, or replacements to the Transmission System, if any, that are necessary, in accordance with Good Utility Practice and/or to maintain compliance with Applicable Laws and Regulations or Applicable Standards, to accommodate the Planned Modifications.

The Interconnected Entity shall provide the information required by the Necessary Study Agreement and provide the required deposit. Transmission Provider, upon completion of the Necessary Studies, shall provide the Interconnected Entity (i) the type and scope of the permanent material impact, if any, the Planned Modifications will have on the Transmission System; (ii) the additions, modifications, or replacements to the Transmission System required to accommodate the Planned Modifications; and (iii) a good faith estimate of the cost of the additions, modifications, or replacements to the Transmission System required to accommodate the Planned Modifications. In the event such Planned Modification have a permanent material impact on the Transmission System or would constitute a Material Modification, Project Developer shall then withdraw the proposed modification or proceed with a new Interconnection Request for such modification.

3.2 Interconnection Request:

This section 3 shall not apply to any proposed modifications by Project Developer to its facilities for which Project Developer must make an Interconnection Request under the Tariff. In such circumstances, the Project Developer and Transmission Provider shall follow the requirements set forth in the GIP.

3.3 Standards:

Any additions, modifications, or replacements made to an Interconnected Entity's facilities shall be constructed and operated in accordance with Good Utility Practice, Applicable Standards and Applicable Laws and Regulations.

3.4 Modification Costs:

Unless otherwise required by Applicable Laws and Regulations or this Appendix 2 and, with respect to a Transmission Project Developer, subject to the terms of the GIP,:

(a) Project Developer shall not be responsible for the costs of any additions, modifications, or replacements that the Transmission Owner in its discretion or at the direction of Transmission Provider makes to the Interconnection Facilities and Transmission Owner Upgrades or the Transmission System in order to facilitate the interconnection of a third party to the Interconnection Facilities and Transmission Owner Upgrades or the Transmission System, or to provide transmission service under the Tariff to a third party.

(b) Project Developer shall be responsible for the costs of any additions, modifications, or replacements to the Interconnection Facilities and Transmission Owner Upgrades or the Transmission System that are required, in accord with Good Utility Practice and/or to maintain compliance with Applicable Laws and Regulations or Applicable Standards, in order to accommodate additions, modifications, or replacements made by Project Developer to the Generating Facility or Merchant Transmission Facility or to the Project Developer Interconnection Facilities.

(c) Project Developer shall be responsible for the costs of any additions, modifications, or replacements to the Project Developer Interconnection Facilities or the Generating Facility or Merchant Transmission Facility that are required, in accord with Good Utility Practice and/or to maintain compliance with Applicable Laws and Regulations or Applicable Standards, in order to accommodate additions, modifications, or replacements that Transmission Provider or the Transmission Owner makes to the Transmission System or to the Transmission Owner Interconnection Facilities and Transmission Owner Upgrades, but only to the extent that Transmission Provider's or the Transmission Owner's changes to the Transmission System or the Transmission Owner Interconnection Facilities and Transmission Owner Upgrades are made pursuant to Good Utility Practice and/or to maintain compliance with Applicable Laws and Regulations or Applicable Standards.