

***Generation Interconnection
Feasibility Study Report***

For

***PJM Generation Interconnection Request
Queue Position AB2-008***

Edison 138kV

September 2016

Preface

The intent of the feasibility study is to determine a plan, with ballpark cost and construction time estimates, to connect the subject generation to the PJM network at a location specified by the Interconnection Customer. The Interconnection Customer may request the interconnection of generation as a capacity resource or as an energy-only resource. As a requirement for interconnection, the Interconnection Customer may be responsible for the cost of constructing: (1) Direct Connections, which are new facilities and/or facilities upgrades needed to connect the generator to the PJM network, and (2) Network Upgrades, which are facility additions, or upgrades to existing facilities, that are needed to maintain the reliability of the PJM system.

In some instances a generator interconnection may not be responsible for 100% of the identified network upgrade cost because other transmission network uses, e.g. another generation interconnection, may also contribute to the need for the same network reinforcement. The possibility of sharing the reinforcement costs with other projects may be identified in the feasibility study, but the actual allocation will be deferred until the impact study is performed.

The Feasibility Study estimates do not include the feasibility, cost, or time required to obtain property rights and permits for construction of the required facilities. The project developer is responsible for the right of way, real estate, and construction permit issues. For properties currently owned by Transmission Owners, the costs may be included in the study.

General

The Interconnection Customer (IC), has proposed a natural gas generating facility located in Edison, New Jersey. The installed facilities will have a total capability of 105 MW with 96 MW of this output being recognized by PJM as capacity. The AB2-008 project is reclaiming CIRs from the Edison 2 unit. The proposed in-service date for this project is May 31, 2020. **This study does not imply a PSE&G commitment to this in-service date.**

Point of Interconnection

AB2-008 will be interconnected with the PSE&G transmission system at the Edison 138kV substation.

Cost Summary

The AB2-008 project will be responsible for the following costs:

| Description | Total Cost |
|----------------------------------------|---------------------|
| Attachment Facilities | \$ 0 |
| Direct Connection Network Upgrades | \$ 2,800,000 |
| Non Direct Connection Network Upgrades | \$ 0 |
| Total Costs | \$ 2,800,000 |

Attachment Facilities

No Attachment Facilities are required to support this interconnection request.

Direct Connection Cost Estimate

The total preliminary cost estimate for the Direct Connection work is given in the table below. These costs do not include CIAC Tax Gross-up.

| Description | Total Cost |
|------------------------------------------------|---------------------|
| Substation work at the Edison 138kV Substation | \$ 2,800,000 |
| Total Direct Connection Facility Costs | \$ 2,800,000 |

Non-Direct Connection Cost Estimate

No Non-Direct Connection Facilities are required to support this interconnection request.

Schedule

Based on the extent of the Direct Connection work required to support the AB2-008 generation project, it is expected to take a minimum of 36 months from the date of a fully executed Interconnection Construction Service Agreement to complete the installation.

Revenue Metering and SCADA Requirements

PJM Requirements

The Interconnection Customer will be required to install equipment necessary to provide Revenue Metering (KWH, KVARH) and real time data (KW, KVAR) for IC's generating Resource. See PJM Manuals M-01 and M-14D, and PJM Tariff Sections 24.1 and 24.2.

Public Service Electric and Gas Requirements

The Interconnection Customer will be required to comply with all PSE&G Revenue Metering Requirements for Generation Interconnection Customers. The Revenue Metering Requirements may be found within the "Information and Requirements for Electric Service" document located at the following links:

http://www.pseg.com/business/builders/new_service/before/

<http://www.pjm.com/planning/design-engineering/to-tech-standards.aspx>

Network Impacts

The Queue Project AB2-008 was evaluated as a 105 MW (Capacity 96 MW) injection at the Edison 138kV substation in the PSEG area. Project AB2-008 was evaluated for compliance with applicable reliability planning criteria (PJM, NERC, NERC Regional Reliability Councils, and Transmission Owners). Project AB2-008 was studied with a commercial probability of 53%. Potential network impacts were as follows:

Summer Peak Analysis - 2020

Generator Deliverability

(Single or N-1 contingencies for the Capacity portion only of the interconnection)

None.

Multiple Facility Contingency

(Double Circuit Tower Line, Fault with a Stuck Breaker, and Bus Fault contingencies for the full energy output)

None.

Contribution to Previously Identified Overloads

(This project contributes to the following contingency overloads, i.e. "Network Impacts", identified for earlier generation or transmission interconnection projects in the PJM Queue)

None.

Short Circuit

(Summary of impacted circuit breakers)

None.

Potential Congestion due to Local Energy Deliverability

PJM also studied the delivery of the energy portion of this interconnection request. Any problems identified below are likely to result in operational restrictions to the project under study. The developer can proceed with network upgrades to eliminate the operational restriction at their discretion by submitting a Merchant Transmission Interconnection request.

Note: Only the most severely overloaded conditions are listed below. There is no guarantee of full delivery of energy for this project by fixing only the conditions listed in this section. With a

Transmission Interconnection Request, a subsequent analysis will be performed which shall study all overload conditions associated with the overloaded element(s) identified.

None.

New System Reinforcements

(Upgrades required to mitigate reliability criteria violations, i.e. Network Impacts, initially caused by the addition of this project generation)

None.

Contribution to Previously Identified System Reinforcements

(Overloads initially caused by prior Queue positions with additional contribution to overloading by this project. This project may have a % allocation cost responsibility which will be calculated and reported for the Impact Study)

None.

Attachment 1

System Configuration