

***Generation Interconnection
Feasibility Study Report***

For

***PJM Generation Interconnection Request
Queue Position AB2-052***

***Culpeper 34.5kV
13MW Capacity / 20MW Energy***

August / 2016

Introduction

This Feasibility Study has been prepared in accordance with the PJM Open Access Transmission Tariff, 36.2, as well as the Feasibility Study Agreement between the Interconnection Customer (IC), and PJM Interconnection, LLC (PJM), Transmission Provider (TP). The Interconnected Transmission Owner (ITO) is Virginia Electric and Power Company (VEPCO).

Preface

The intent of the Feasibility Study is to determine a plan, with high level estimated cost and construction time estimates, to connect the subject generation to the PJM network at a location specified by the IC. The IC may request the interconnection of generation as a capacity resource or as an energy-only resource. As a requirement for interconnection, the IC 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 IC is responsible for the right of way, real estate, and construction permit issues. For properties currently owned by ITO, the costs may be included in the study.

General

The IC has proposed a solar generating facility located in Culpeper County, VA. The installed facilities will have a total capability of 20 MW with 13 MW of this output being recognized by PJM as capacity. The proposed in-service date for this project is 10/31/2017. **This study does not imply an ITO commitment to this in-service date.**

Point of Interconnection

AB2-052 will interconnect with the ITO distribution system on Culpeper 34.5kV circuit #377.

Transmission Owner Scope of Work

There is an existing three phase 34.5 kV distribution line adjacent to the IC's site and the requested POI. The existing 34.5 kV distribution line is served from a 44.8 MVA, 115/34.5 kV transformer in Culpeper Substation.

Attachment facilities and local upgrades (if required) along with terms and conditions to interconnect AB2-052 will be specified in a separate two party Interconnection Agreement (IA) between ITO and the IC as this project is considered FERC non-jurisdictional per the PJM Open Access Transmission Tariff (OATT). From the transmission system perspective, no network impacts were identified as detailed below. The single line is shown below in Attachment 1.

Attachment Facilities

To provide the interconnection the ITO will install approximately 300 feet of overhead three phase primary voltage conductors will be installed to provide an interconnection to the existing primary voltage conductors. A pole mounted electronic recloser, pole mounted primary bi-directional metering equipment, a power quality monitoring relay and a set of disconnects to provide an isolation point will also be provided. The estimated cost of these attachment facilities is \$300,000. These costs do not include CIAC Tax Gross-up. The single line is shown below in Attachment 1.

Local Upgrades Cost Estimate

- Standard substation upgrades including but not limited to protection work, scada monitoring adjustments and adjusting regulators for reverse power flow will have an anticipated cost of **(\$107,000)**.
- Install 6.4 miles of reconductoring between the Culpeper Substation and the POI, remove (1) 200 KVar capacitor line bank, install (3) 100 amp line regulators. **(\$1,800,000)**
- A Transfer Trip protection scheme will be required on the Automatic Line recloser to be located at the Brandy Station POI and at the Culpeper Substation Circuit Breaker. **(\$300,000)**

The estimated cost of these required System Upgrades to accommodate the 20 MW request is **\$2,507,000**. The estimated time to interconnect the IC with the required System Upgrades is 12-18 months.

Non-Direct Connection Cost Estimate

Remote Terminal Work: During the Facilities Study, ITO's System Protection Engineering Department will review transmission line protection as well as anti-islanding required to accommodate the new generation and interconnection substation. System Protection Engineering will determine the minimal acceptable protection requirements to reliably interconnect the proposed generating facility with the transmission system. The review is based on maintaining system reliability by reviewing ITO's protection requirements with the known transmission system configuration which includes generating facilities in the area. This review

may determine that transmission line protection and communication upgrades are required at remote substations.

Interconnection Customer Requirements

ITO's Facility Connection Requirements as posted on PJM's website

<http://www.pjm.com/~media/planning/plan-standards/private-dominion/facility-connection-requirements1.ashx>

The ITO's preferred transformer configuration is wye grounded (primary)/delta (secondary) with provisions for external resistance grounding of the primary with the level of resistance to be determined by the IC and approved by the ITO. If a wye (primary)/wye (secondary) transformer configuration is utilized the IC will apply a ground bank configured transformer [zig-zag or wye (interconnection side) – delta (floated)] at (near) the point where the generation is connected. Additionally, the ITO will require the IC to provide specific inverter information including the model and parameter data required for a short-circuit analysis including Positive, Negative and Zero Sequence Resistance and Reactance for the initial 4 to 6 cycles.

Voltage Ride Through Requirements - The Customer Facility shall be designed to remain in service (not trip) for voltages and times as specified for the Eastern Interconnection in Attachment 1 of NERC Reliability Standard PRC-024-1, and successor Reliability Standards, for both high and low voltage conditions, irrespective of generator size, subject to the permissive trip exceptions established in PRC-024-1 (and successor Reliability Standards).

Frequency Ride Through Requirements - The Customer Facility shall be designed to remain in service (not trip) for frequencies and times as specified in Attachment 2 of NERC Reliability Standard PRC-024-1, and successor Reliability Standards, for both high and low frequency condition, irrespective of generator size, subject to the permissive trip exceptions established in PRC-024-1 (and successor Reliability Standards).

Reactive Power - The Generation Interconnection Customer shall design its non-synchronous Customer Facility with the ability to maintain a power factor of at least 0.95 leading to 0.95 lagging measured at the generator's terminals.

Revenue Metering and SCADA Requirements

PJM Requirements

The IC 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.

Network Impacts

The Queue Project AB2-052 was evaluated as a 20.0 MW (Capacity 13.0 MW) injection at the Culpeper 115kV substation in the ITO area. Project AB2-052 was evaluated for compliance with applicable reliability planning criteria (PJM, NERC, NERC Regional Reliability Councils, and Transmission Owners). Project AB2-052 was studied with a commercial probability of 53%. Potential network impacts were as follows:

Generator Deliverability

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

None

Multiple Facility Contingency

(Double Circuit Tower Line contingencies were studied for the full energy output. The contingencies of Line with Failed Breaker and Bus Fault will be performed for the Impact Study.)

None

Short Circuit

(Summary of impacted circuit breakers)

New circuit breakers found to be over-duty:

None

Contributions to previously identified circuit breakers found to be over-duty:

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

Steady-State Voltage Requirements

(Summary of the VAR requirements based upon the results of the steady-state voltage studies)

To be determined during Impact Study

Stability and Reactive Power Requirement for Low Voltage Ride Through

(Summary of the VAR requirements based upon the results of the dynamic studies)

To be determined during Impact Study

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

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 IC 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

Light Load Analysis

Light Load Studies to be conducted during later study phases (as required by PJM Manual 14B).

ITO Analysis

Not required

Affected System Analysis & Mitigation

Duke, Progress & TVA Impacts:

Duke Carolina, Progress, & TVA Impacts to be determined during later study phases (as applicable).