

***Generation Interconnection
Combined Feasibility/System Impact Study
Report***

For

***PJM Generation Interconnection Request
Queue Position AC1-202***

“Cedar 12 kV”

February 2017

Preface

The intent of the Combined Feasibility/System Impact Study is to determine a plan, with approximate cost and construction time estimates, to connect the subject generation interconnection project to the PJM network at a location specified by the Interconnection Customer. As a requirement for interconnection, the Interconnection Customer may be responsible for the cost of constructing: Network Upgrades, which are facility additions, or upgrades to existing facilities, that are needed to maintain the reliability of the PJM system. All facilities required for interconnection of a generation interconnection project must be designed to meet the technical specifications (on PJM web site) for the appropriate Transmission Owner.

Study estimates do not include the feasibility, cost, or time required to obtain property rights and permits for construction of the required facilities. The Interconnection Customer may be 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

Home Depot USA Inc., Interconnection Customer (IC), has proposed a 210 kW energy only fuel cell generating facility to be located at the IC's existing manufacturing facility in Stafford Township, New Jersey. PJM studied AC1-202 as a 0.21 MW injection into the Atlantic City Electric Company's (ACE) system at the Cedar 12 kV substation and evaluated it for compliance with reliability criteria for summer peak conditions in 2020. The planned in-service date, as stated during the project kick-off call, is June, 2017.

Point of Interconnection

The Interconnection Customer requested that the AC1-202 project use the existing facility's distribution level interconnection. As a result, AC1-202 will interconnect with the Atlantic City Electric system as shown on Attachment 1.

Direct Connection Requirements

Criteria Limits for Distributed Energy Resource (DER) Connections to the ACE, DPL and Pepco Distribution Systems (less than 69kV)

1. Single Phase Limit

Any DER with a capacity that exceeds 100kW shall be a balanced 3 phase system.

2. Voltage Limits

DER's are permitted to cause a voltage fluctuation of up to 2% at the Point of Interconnection, ½ the band width of any voltage regulator at its terminals, and ½ the net dead band of a switched capacitor bank at its connection point. When a DER is at maximum output, it shall not raise the feeder voltage above the ANSI C84.1 or state limit, whichever is more conservative.

3. Existing Distribution Circuit Capacity Limits

The aggregate limit of large (250 kW and over) generators running in parallel with a single, existing distribution circuit is 0.5 MWs on the 4kV, 3MWs on the 12 kV, 6 MWs on the 25 kV, and 10 MWs on the 34 kV.

4. Express Circuit Capacity Limits

Distributed generation installations which exceed the limit for an existing circuit require an express circuit.

The maximum generator size for express circuits shall be:

- 4 kV 0.5 MW
- 12 – 13.8 kV 10 MW
- 23 – 25 kV 10 MW
- 33.26 – 34.5 kV 15 MW

5. Distribution Power Transformer Limit

The aggregate limit of large (250 kW and over) generator injection to a single distribution transformer of 22.5 MVA nameplate or larger is 10 MW. Transformers with nameplate ratings lower than 22.5 MVA will be given lower ratings on an individual basis. If the transformer rating is significantly greater than 40 MVA it may be possible to consider a greater generation capacity.

Adding a new transformer will be considered if there is no availability on any of the existing transformers and space is available in an existing substation. Any proposed transformers would be PHI's standard distribution transformer.

6. Express Circuit Length Limit

If there is no space for an additional transformer at the closest substation, the next closest substation will be considered. The length of an express circuit is limited to 5 miles, or for the sake of the feasibility study, 3.8 straight line miles to the substation. This simplification is used because the feasibility study phase does not allow for the time and resources to examine routes in detail (including existing pole lines, easements, ROW, and environmental issues etc.)

7. When a New Substation is Required

If a distribution express circuit can't be built from an existing substation for a project, it will be necessary to construct a new distribution substation with a standard ring bus design. It will be supplied by extending existing transmission lines. It is the developer's responsibility to verify eligibility of this configuration for solar renewable energy certificates.

All limits, given above in MWs, are subject to more detailed study to ensure feasibility.

Transmission Owner (TO) Scope of Direct Connection Work

TO scope of work required to accommodate 0.21 MW of generation on the NJ1324 Feeder from Cedar Substation T7:

1. Utility grade primary metering will be required if not already available
2. A detailed, time-based study may be performed during later study phases.
3. Protection, Planning, and other engineering departments will perform studies, design work, and prepare engineering estimates.

| Estimated Costs | |
|--|----------------|
| Cedar Substation T7 | |
| Metering | \$2,000 |
| Subtotal Cost | \$2,000 |
| Approximate Total Cost with 15% Contingency | \$2,300 |

The estimated time to complete this work is **1 month** after receipt of a fully executed interconnection agreement.

Interconnection Customer Scope of Work

The Interconnection Customer (IC) is responsible for all design and construction related to activities on their side of the Point of Interconnection. Site preparation, including grading and an access road, as necessary, is assumed to be by the IC. Route selection, line design, and right-of-way acquisition of the direct connect facilities is not included in this report, and is the responsibility of the IC.

The Interconnection Customer will be required to install metering and telemetry equipment to provide revenue metering and real-time telemetry data to PJM. The requirements for this equipment are listed in Appendix 2, Section 8 of Attachment O to the PJM Tariff, as well as PJM Manuals 01 and 14D. Protective relaying and metering design and installation must comply with PHI’s Applicable Standards.

Inverter Requirements and Capabilities

The inverter at the DG location shall have the following capabilities:

- Voltage flicker reduction through dynamic VAR or fixed PF response
- Ramp rate control
- SCADA communications
- Curtailment or other mitigation ability if high voltage were to occur
- Low voltage and system disturbance ride through
- Ability to receive and respond to a transfer trip signal
- Ability to adjust PF or VARs based on utility signal
- Ability to Adjust Real Power Output based on utility signal

The inverter shall operate in accordance with the IEEE 1547 series of standards that have been approved. While inverters should be capable of voltage stabilization thru dynamic VAR response and capable of low voltage and system disturbance ride through, neither of these capabilities shall be implemented until such time that the IEEE 1547 series of standards are revised and approved to include standards for these capabilities. At such time as these revised standards become available, the PV owner/operator shall cooperate with the Company (the 'Company' referring to ACE, DPL, or PEPCO) to implement these capabilities with settings acceptable to the Company. It is the responsibility of the owner to secure the inverter from any unauthorized access (including physical and remote access) which could alter settings or adversely affect the inverter's ability to operate as required. Security measures should include utilizing secure password settings and/or physical locks on cabinet doors.

High Voltage Warning

Voltage received at the meter from the utility can be 105% of nominal. Normal operating procedures dictate that voltage at the substation be raised to the higher end of an acceptable bandwidth in order to provide adequate supply to distant customers. Transformers with no load taps should be used to reduce the voltage by 2.5% to avoid the possibility of inverter trips. Failure to account for this may result in lost energy production.

Summer Peak Analysis - 2020

Transmission Network Impacts

Potential transmission network impacts are 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, 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

Summer Peak Load Flow Analysis Reinforcements

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)

(Summary form of Cost allocation for transmission lines and transformers will be inserted here if any)

None

Steady-State Voltage Requirements

(Results of the steady-state voltage studies should be inserted here)

None

Short Circuit

(Summary of impacted circuit breakers)

No issues identified.

Stability and Reactive Power Requirement

(Results of the dynamic studies should be inserted here)

Not required.

Light Load Analysis - 2020

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

Not required.

Facilities Study Estimate

(If a Facilities Study is required, provide the estimated duration and cost estimate to perform Facilities Study)

Not Required.

AC1-202

Cedar 69/12.47 kV Sub

0.21 MW Fuel Cell

