

***Generation Interconnection
Feasibility Study Report***

For

***PJM Generation Interconnection Request
Queue Position X3-085***

Vernon

February 2012

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 solar generating facility located at 139 Drew Road in Vernon Township. The installed facilities will have a total capability of 8.0 MW with 3.0 MW of this output being recognized by PJM as capacity. This means that the remaining 5.0 MW will be curtailable should a system reliability constraint occur.

Point of Interconnection

X3-085 will interconnect with the Sussex Rural Electric Cooperative system, which is located inside of Jersey Central Power and Light territory.

Due to its tie line impact, the installation of the X3-085 Project by the Interconnection Customer will also impact on the existing Jersey Central wheeling and supply interconnection agreement with the Sussex REC.

The Interconnection Customer will be required to fund all of the Sussex REC interconnection and FE network upgrades that will be required for the X3-085 Project. This includes the provision of any permits, easements and properties that may be required.

FirstEnergy Analysis

As defined by the Interconnection Customer and shown on Attachment 2, the proposed connection point for the X3-085 Project will be located on the Sussex REC's 34.5 kV Vernon – Loundsberry (B704) 34.5 kV line at the intersection of McPeck and Sand Hill Roads in the Sussex REC service territory. The Sussex REC will therefore be responsible for the installation of the Direct Connection facilities to support the X3-085 Project by means of a separate two party agreement. However, the Sussex REC interconnection with the Jersey Central will be used to wheel the output of the X3-085 Project to PJM through the Vernon 34.5 kV substation as identified on Attachment 3. As shown the FE delivery point for the X3-085 Project will be modeled at the Vernon substation. The Sussex REC and the Interconnection Customer will be expected to comply with the "FE Requirements for Transmission Connected Facilities" document at this delivery point. Additionally, note that the tap from the B704 line to the X3-085 Project site must cross a JCPL 12.5 kV distribution line along the southern border of the Project site. The Interconnection Customer and/or the Sussex REC must coordinate with JCPL engineering outside of the PJM study process for this crossing.

From an operating perspective, the Interconnection Customer will also be required to provide the Jersey Central Regional Dispatchers with a supervisory trip control of the X3-085 Project attachment breaker in order to open it if required during a system emergency. The purpose is to assure the continued reliability and safety of the transmission system and field personnel by providing the Regional Dispatchers with the capability to disconnect a generation project when immediate action is required. Should such action be necessary, the Jersey Central Regional Dispatcher will communicate the reason to the X3-085 plant operators as soon as practicable. They will also give notice when the X3-085 Project can be safely returned to service. Note that this procedure is only to be implemented for emergency situations. The Interconnection Customer will need to coordinate the project synchronization and daily operation with the Sussex REC Dispatch staff for normal system conditions.

In summary, the X3-085 Project will be studied as an 8 MW injection at the Vernon 34.5 kV substation. Although the X3-085 Project will not be connected directly to the Jersey Central 34.5 kV transmission system, it will be responsible for any modifications needed at the interconnection between Jersey Central and Sussex REC to support the X3-085 Project. This includes any substation configuration upgrades, metering changes and system protection revisions that may be necessary. By PJM process, any such Jersey Central or PJM network upgrade attributable to the X3-085 Project will be the Interconnection Customer's responsibility. These system reinforcements will be defined as a part of the Power Flow Analysis in this Feasibility Study.

Power Flow Analysis

A Power Flow study was conducted to determine the reliability impact of the proposed X3-085 Project on the FE Transmission System. This study was completed using a 2013 summer peak load power flow that contains a detailed representation of the Jersey Central transmission networks in the area of the proposed X3-085 Project. Note that the year 2013 was chosen for study rather than 2015 since this is the first summer period when the X Queue solar projects are scheduled for service. The findings and the recommendations from this analysis are based on a

contingency review that was performed to identify the facility loadings and/or voltage conditions that violate the Reliability *First*, PJM or FE Planning Criteria and are attributable to this project.

Independent from the PJM protocol, the Sussex REC will also be responsible for performing a Power Flow analysis and defining the network upgrades required for the deliverability of the X3-085 Project generation to the Jersey Central point of interconnection. The requirements and cost estimates for these facilities must be addressed by a separate connection service study and agreement between the Interconnection Customer and the Sussex REC.

The results of the FE Power Flow analysis show that there are no network upgrades required for the deliverability of the X3-085 Project generation from the Sussex REC point of interconnection to the Jersey Central and PJM transmission systems. However, there is the potential for high voltage during light load periods and voltage criteria violations due to swings in the MW output of the cumulative attached solar generation. To minimize these voltage criteria violations, the X3-085 Project must provide a dynamic reactive capability between .95 leading (absorbing 2.63 MVAR) and .95 lagging (producing 2.63 MVAR). If this capability cannot be provided by the solar units, a dynamic device such as a STATCOM or SVC must be installed at the X3-085 Project substation at the Interconnection Customer's cost.

Short Circuit and Dynamics Analysis

In accordance with the RTEP process, a short circuit analysis was not conducted by PJM since the X3-085 Project connection is to the Sussex REC 34.5 kV system. Therefore, the FE Protection staff conducted a short circuit review of the project connection. An assumption of this study was that solar generation projects will contribute no appreciable fault current to the breakers on the FE transmission system. As defined by EPRI: "Inverters are generally designed to limit fault currents to 130% or less of rated current. Thus they can usually be disregarded when conducting fault studies."¹ Based on this fact, the results of the FE analysis showed that no FE circuit breaker will exceed its interrupting capability with the implementation of the X3-085 Project. Therefore no circuit breaker reinforcements will be required.

System Protection Analysis

An analysis was conducted to assess the impact of the X3-085 Project on the system protection requirements in the area. Under the assumption that the X3-085 Project generation will not supply fault current to the Jersey Central transmission system as defined by the PJM staff, there will be no protection upgrades needed on existing FE owned facilities.

Note that if the FE assumption that the X3-085 Project will not provide fault current is invalid, the Interconnection Customer will have a cost responsibility for any network upgrades that may be required to comply with the FE and PJM planning criteria.

Metering

The X3-085 Project will be Directly Connected to the Sussex REC transmission system. Therefore, the Interconnection Customer must comply with the Sussex REC Revenue Metering Requirements for Generation Interconnection Customers. It will also be responsible for

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communicating the hourly MWH output of the X3-085 Project to both FE and PJM in the approved format for monitor and billing purposes.

Since the X3-085 Project will impact on the Sussex REC interchange with Jersey Central, an analysis was performed to determine whether any metering upgrades at the points of interconnection will be required. Based on the FE review, it was determined that the existing interconnection metering equipment at the Sussex REC 34.5 kV substation will be capable of monitoring the Sussex REC tie flows with the proposed 8 MW of generation at the X3-085 Project dispatched. However, the Vernon 34.5 kV substation metering instrument transformers will require replacement. The cost estimate for this upgrade is included in Attachment 4.

With respect to the billing of the Sussex REC for transmission service and customer load, the hourly metered interconnection at the Sussex REC and Vernon 34.5 kV substations will be adjusted by the X3-085 Project output for every hour of operation. For comparability and compliance, no net metering on a billing period basis will be made when calculating the transmission service that is provided by Jersey Central to the Sussex REC customers.

Compliance Issues

The Interconnection Customer will be required to meet all PJM, Reliability*First* and NERC reliability criteria and operating procedures for standards compliance. For example, the Interconnection Customer will need to properly locate and report the over and under-voltage and over and under-frequency system protection elements for its units as well as the submission of the generator model and protection data required to satisfy the PJM and Reliability*First* audits. Failure to comply with these requirements may result in a disconnection of service if the violation is found to compromise the reliability of the FE system.

FE Facility Upgrades and Costs

The results of the FE analysis shows that no planning criteria violations are attributable to the addition of the X3-085 Project for the conditions studied. The X3-085 Project will be responsible for the cost of integrating the required supervisory control and data acquisition (SCADA) points into the FE Energy Management System (EMS), and replacing the metering instrument transformers for the Sussex REC connection point to the Jersey Central 34.5 kV transmission system at Vernon Substation. As shown in Attachment 4, the cost of these upgrades is \$61,900.

Interconnection Customer Requirements

1. The purchase and installation of a revenue class meter for the X3-085 Project interconnection in coordination with the Sussex REC to measure the power delivered to the PJM system in compliance with the FE standards. The installation must comply with all Sussex REC metering requirements.
2. A compliance with the Sussex REC generator power factor and voltage control requirements. Note that the X3-085 Project may need to absorb reactive power at the point of interconnection to minimize the voltage change should the units rapidly reduce their output or trip off line.

3. Any complaints from other customers (e.g. flicker complaints) will have to be corrected by the Interconnection Customer. The correction may include changing operation, reducing generation, disconnecting the generators, or other measures.
4. The purchase and installation of supervisory control and data acquisition (SCADA) equipment that will provide revenue quality data and system information to FE in a compatible format to the FE Transmission System Control Center and Billing standards. The RTU, the communications channel and all related equipment will be furnished and maintained by the Interconnection Customer. The RTU must communicate with the FirstEnergy EMS via DNP 3.0 protocol.
5. The following status and metering points will be required:
 - a. Interconnection breaker position status and trip control. If trip control is not provided to FE, under emergency conditions FE may need to open the Sussex REC's Vernon delivery point.
 - b. Generator real and reactive power output measured at the high-side of the generator step-up transformer.
 - c. Generator voltage at the point of interconnection.
6. A compliance with the inverter standard UL1741 and IEEE 1547 in addition to the power quality standards defined by ReliabilityFirst and PJM.
7. The provision of a telephone number for the X3-085 Plant Operator who must be available on a 24/7 basis to respond to FE or PJM Dispatch orders and requests for information.

The above requirements are in addition to any metering or other requirements imposed by PJM.

Note that an assumption of this study is that the X3-085 Project generation will automatically be disconnected whenever the local area network is islanded. If this assumption is not correct, a direct transfer trip scheme will need to be implemented for such situations at the Interconnection Customer's cost.

Network Impacts

Queue project X3-085 was studied as a(n) 8.0 MW (3.0 MW of which was Capacity) injection into JCPL's system at the Pole 98 34.5 kV substation. Project X3-085 was evaluated for compliance with reliability criteria for summer peak conditions in 2015.

Potential transmission network impacts are as follows:

Generator Deliverability

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

No violations identified.

Multiple Facility Contingency

(Double Circuit Tower Line contingencies only with full energy output. Stuck Breaker and Bus Fault contingencies will be applied during the Impact Study)

No violations identified.

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.)

No violations identified.

New System Reinforcements

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

None required.

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 required.

Short Circuit

(Report over-dutied breakers.)

None required.

Energy Portion of Interconnection Request

PJM also studied the delivery of the energy portion of the surrounding generation. Any potential 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 Transmission Interconnection request.

Note: Only the most severely overloaded conditions are listed. 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 analyzes all overload conditions associated with the overloaded element(s) identified. As a result of the aggregate energy resources in the area, the following violations were identified.

No violations identified.

Summary

The connection of the X3-085 Project to the Sussex REC transmission system will require no network upgrades. Note that the Interconnection Customer will have a cost responsibility for the Direct Connection of the X3-085 Project to the Sussex REC transmission system (to be determined by Sussex REC) and the provision of SCADA and billing information to FE and PJM in the defined formats. The Sussex REC will be responsible for the engineering and construction activities required for the Direct Connection of the X3-085 Project by separate agreement. The cost of integrating the required SCADA points into the FE EMS system and replacing the Sussex REC metering instrument transformers at Vernon Substation is \$61,900, as shown on Attachment 4. This cost includes a CIAC (Contribution in Aid of Construction) Federal Income Tax Gross Up charge of \$15,200. This tax may or may not be charged based on whether or not this project meets the eligibility requirements of IRS Notice 88-129. There will be no interconnection metering upgrades required at the Jersey Central and Sussex REC points of interconnection.

Further note that the Interconnection Customer will have a cost responsibility for the Direct Connection of the X3-085 Project to the Sussex REC transmission system (to be determined by Sussex REC) and the provision of SCADA and billing information to FE and PJM in the defined formats. The Sussex REC will be responsible for the engineering and construction activities required for the Direct Connection of the X3-085 Project by separate agreement.

Based on the extent of the FE network upgrades required to support this project, it is estimated that it will take one (1) year from the date of a fully executed Interconnection Construction Service Agreement to complete the upgrades required for the X3-085 Project. Full payment of the estimated cost of the project will be required upon execution of the Construction Service Agreement (CSA). A true up of the actual cost versus estimated cost of the project will be performed by FE at the end of the project. It further assumes that all 34.5 kV transmission system outages can be scheduled when needed.

Note that the FE findings were made from a conceptual review of this project. A more detailed review of the connection facilities and their cost will be identified in the Impact Study. Further note that the cost estimate data contained in this document should be considered as only ballpark since it was produced without a detailed engineering review. The applicant will be responsible for the actual cost of construction. FE herein reserves the right to return to any issues in this document and, upon appropriate justification, request additional monies to complete any connections to the transmission system.

Attachment 1
Site View

Attachment 2
Aerial View

Attachment 3
Single Line Diagram

Attachment 4
Estimated Costs

Item	Description
1	Replace metering Instrument transformers for the Sussex REC connection point to the Jersey Central 34.5 kV transmission system at Vernon substation.
2	EMS/SCADA integration
	Substation Costs: \$ 46,700
	Taxes (if Applicable): \$ 15,200
	Total: \$ 61,900