

Revised

Generation Interconnection System

Impact Study Report

for

Queue Project AE1-210

DESOTO 345 KV

13 MW Capacity / 100 MW Energy

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1 Introduction

This System Impact Study has been prepared in accordance with the PJM Open Access Transmission Tariff, 205, as well as the System Impact Study Agreement between the Interconnection Customer (IC), and PJM Interconnection, LLC (PJM), Transmission Provider (TP). The Interconnected Transmission Owner (ITO) is AEP.

2 Preface

The intent of the 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.

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. Cost allocation rules for network upgrades can be found in PJM Manual 14A, Attachment B. 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 Interconnection Customer seeking to interconnect a wind generation facility shall maintain meteorological data facilities as well as provide that meteorological data which is required per Schedule H to the Interconnection Service Agreement and Section 8 of Manual 14D.

An Interconnection Customer with a proposed new Customer Facility that has a Maximum Facility Output equal to or greater than 100 MW shall install and maintain, at its expense, phasor measurement units (PMUs). See Section 8.5.3 of Appendix 2 to the Interconnection Service Agreement as well as section 4.3 of PJM Manual 14D for additional information.

PJM utilizes manufacturer models to ensure the performance of turbines is properly captured during the simulations performed for stability verification and, where applicable, for compliance with low voltage ride through requirements. Turbine manufacturers provide such models to their customers. The list of manufacturer models PJM has already validated is contained in Attachment B of Manual 14G. Manufacturer models may be updated from time to time, for various reasons such as to reflect changes to the control systems or to more accurately represent the capabilities turbines and controls which are currently available in the field. Additionally, as new turbine models are developed, turbine manufacturers provide such new models which must be used in the conduct of these studies. PJM needs adequate time to evaluate the new models in order to reduce delays to the System Impact Study process timeline for the Interconnection Customer as well

as other Interconnection Customers in the study group. Therefore, PJM will require that any Interconnection Customer with a new manufacturer model must supply that model to PJM, along with a \$10,000 fully refundable deposit, no later than three (3) months prior to the starting date of the System Impact Study (See Section 4.3 for starting dates) for the Interconnection Request which shall specify the use of the new model. The Interconnection Customer will be required to submit a completed dynamic model study request form (Attachment B-1 of Manual 14G) in order to document the request for the study.

The System Impact 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.

3 General

The Interconnection Customer (IC), has proposed a Wind generating facility located in Randolph County, Indiana. The installed facilities will have a total capability of 100 MW with 13 MW of this output being recognized by PJM as Capacity.

The proposed in-service date for this project is October 31, 2021. This study does not imply a TO commitment to this in-service date.

The objective of this System Impact Study is to determine budgetary cost estimates and approximate construction timelines for identified transmission facilities required to connect the proposed generating facilities to the AEP transmission system. These reinforcements include the Attachment Facilities, Local Upgrades, and Network Upgrades required for maintaining the reliability of the AEP transmission system.

Queue Number	AE1-210
Project Name	DESOTO 345 KV
State	Indiana
County	Randolph
Transmission Owner	AEP
MFO	100
MWE	100
MWC	13
Fuel	Wind
Basecase Study Year	2022

Any new service customers who can feasibly be commercially operable prior to June 1st of the basecase study year are required to request interim deliverability analysis.

4 Primary Point of Interconnection

AE1-210 proposes to interconnect with the AEP transmission system at the Desoto 345 KV substation utilizing the gen lead to be constructed for AE1-209.

Note: It is assumed that the 345kV revenue metering and gen lead installed for the #AE1-209 will be adequate for the additional generation.

5 Cost Summary

The AE1-210 project will be responsible for the following costs:

Description	Total Cost
Attachment Facilities	\$0
Direct Connection Network Upgrade	\$0
Non Direct Connection Network Upgrades	\$25,000
Allocation for New System Upgrades*	\$0
Contribution for Previously Identified Upgrades*	\$0
Total Costs	\$25,000

^{*}As your project progresses through the study process and other projects modify their request or withdraw, then your cost allocation could change.

The estimates provided in this report are preliminary in nature, as they were determined without the benefit of detailed engineering studies. Final estimates will require an on-site review and coordination to determine final construction requirements. In addition, Stability analysis will be completed during the Facilities Study stage. It is possible that a need for additional upgrades could be identified by these studies.

This cost excludes a Federal Income Tax Gross Up charges. This tax may or may not be charged based on whether this project meets the eligibility requirements of IRS Notice 88-129. If at a future date it is determined that the Federal Income Tax Gross charge is required, the Transmission Owner shall be reimbursed by the Interconnection Customer for such taxes.

Note 1: PJM Open Access Transmission Tariff (OATT) section 217.3A outline cost allocation rules. The rules are further clarified in PJM Manual 14A Attachment B. The allocation of costs for a network upgrade will start with the first Queue project to cause the need for the upgrade. Later queue projects will receive cost allocation contingent on their contribution to the violation and are allocated to the queues that have not closed less than 5 years following the execution of the first Interconnection Service Agreement which identifies the need for this upgrade.

Note 2: For customers with System Reinforcements listed: If your present cost allocation to a System Reinforcement indicates \$0, then please be aware that as changes to the interconnection process occur, such as prior queued projects withdrawing from the queue, reducing in size, etc, the cost responsibilities can

change and a cost allocation may be assigned to your project. In addition, although your present cost allocation to a System Reinforcement is presently \$0, your project may need this system reinforcement completed to be deliverable to the PJM system. If your project comes into service prior to completion of the system reinforcement, an interim deliverability study for your project will be required.

6 Transmission Owner Scope of Work

6.1 Attachment Facilities

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

Description	al Cost		
To be constructed by AE1-209	\$0		
Total Attachment Facility Costs	\$0		

6.2 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		
	\$0		
Total Direct Connection Facility Costs	\$0		

6.3 Non-Direct Connection Cost Estimate

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

Description	Total Cost	
Modify relay settings for the Desoto 345kV substation	\$25,000	
Total Non-Direct Connection Facility Costs	\$25,000	

7 Incremental Capacity Transfer Rights (ICTRs)

None.

8 Schedule

It is anticipated that the time between receipt of executed Agreements and Commercial Operation may range from 12 to 18 months if no line work is required. If line work is required, construction time would generally be between 24 to 36 months after Agreement execution.

9 Interconnection Customer Requirements

It is understood that the Interconnection Customer is responsible for all costs associated with this interconnection. The costs above are reimbursable to the Interconnected Transmission Owner. The cost of the Interconnection Customer's generating plant and the costs for the line connecting the generating plant to the Interconnected Transmission Owner's Transmission circuit are not included in this report; these are assumed to be the Interconnected Customer's responsibility.

The Generation Interconnection Agreement does not in or by itself establish a requirement for the Interconnected Transmission Owner to provide power for consumption at the developer's facilities. A separate agreement may be reached with the local utility that provides service in the area to ensure that infrastructure is in place to meet this demand and proper metering equipment is installed. It is the responsibility of the developer to contact the local service provider to determine if a local service agreement is required.

Requirement from the PJM Open Access Transmission Tariff:

- An Interconnection Customer entering the New Services Queue on or after October 1, 2012 with a
 proposed new Customer Facility that has a Maximum Facility Output equal to or greater than 100 MW
 shall install and maintain, at its expense, phasor measurement units (PMUs). See Section 8.5.3 of
 Appendix 2 to the Interconnection Service Agreement as well as section 4.3 of PJM Manual 14D for
 additional information.
- 2. The Interconnection Customer may be required to install and/or pay for metering as necessary to properly track real time output of the facility as well as installing metering which shall be used for billing purposes. See Section 8 of Appendix 2 to the Interconnection Service Agreement as well as Section 4 of PJM Manual 14D for additional information.

10 Revenue Metering and SCADA Requirements

10.1 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 Section 8 of Attachment O.

AE1-210: Desoto 345 KV

10.2 Meteorological Data Reporting Requirements

The Wind generation facility shall provide the Transmission Provider with site-specific meteorological data including:

- Back Panel temperature (Fahrenheit)
- Irradiance (Watts/meter²)
- Ambient air temperature (Fahrenheit) (Accepted, not required)
- Wind speed (meters/second) (Accepted, not required)
- Wind direction (decimal degrees from true north) (Accepted, not required)

10.3 Interconnected Transmission Owner Requirements

The IC will be required to comply with all Interconnected Transmission Owner's revenue metering requirements for generation interconnection customers located at the following link:

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

11 Network Impacts

The Queue Project AE1-210 was evaluated as a 100.0 MW (Capacity 13.0 MW) injection at Desoto 345 kV substation in the AEP area. Project AE1-210 was evaluated for compliance with applicable reliability planning criteria (PJM, NERC, NERC Regional Reliability Councils, and Transmission Owners). Project AE1-210 was studied with a commercial probability of 100%. Potential network impacts were as follows:

11.1 Generation Deliverability

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

None.

11.2 Multiple Facility Contingency

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

None.

11.3 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.

11.4 Steady-State Voltage Requirements

None.

11.5 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

11.6 System Reinforcements

ID	ldx	Facility	Upgrade Description	Cost	Cost Allocated to AE1- 210	Upgrade Number
			Total Cost	\$0	\$0	

Note: For customers with System Reinforcements listed: If your present cost allocation to a System Reinforcement indicates \$0, then please be aware that as changes to the interconnection process occur, such as prior queued projects withdrawing from the queue, reducing in size, etc, the cost responsibilities can change and a cost allocation may be assigned to your project. In addition, although your present cost allocation to a System Reinforcement is presently \$0, your project may need this system reinforcement completed to be deliverable to the PJM system. If your project comes into service prior to completion of the system reinforcement, an interim deliverability study for your project will be required.

12 Light Load Analysis

Not applicable.

13 Short Circuit Analysis

The following Breakers are overdutied:

None.

14 Stability and Reactive Power Requirements for Low Voltage Ride Through

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

To be determined in the Facilities Study Phase.

15 Affected Systems

15.1 LG&E

None.

15.2 MISO

The October 2019 AE2 Group – Preliminary MISO Report has identified no impacts. Please refer to the MISO Affected System report for details. The Final October 2019 MISO Affected System report will be needed to confirm there are no impacts from AE1-210 on MISO.

15.3 TVA

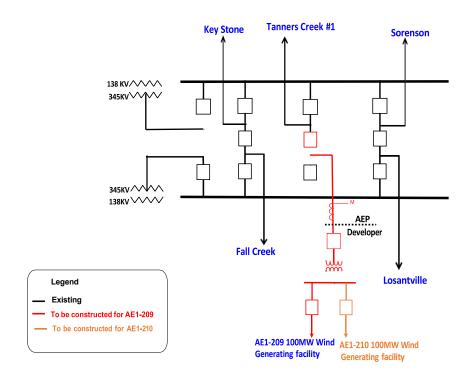
None.

15.4 Duke Energy Progress

None.

16 Attachment 1: AE1-210 Desoto 345kV One Line Diagram

AE1-210 Point of Interconnection Desoto 345kV Substation



Based on the information provided by the customer

17 Attachment 2: AE1-210 Site Location (Desoto 345kV)

