

Problem Statement and Issue Charge

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Planning Committee

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- Stakeholders identified 69 unique concerns & 135 unique suggestions covering 12 categories of issues
- Queue volume has more than tripled over the past three years
 - On time rate of Feasibility and System Impact studies has continually improved, but overall throughput has declined
 - Increased studies → Increased backlog
- Cost responsibility process is iterative
 - compounded with the volume, produces an unwieldy process and provides customers with less actionable cost information.

- PJM drafted a strawman issue charge for discussion at Workshop Session 4 based on:
 - PJM’s review of all of the comments during and after Session 2
 - the poll results
 - PJM’s own experience with the Interconnection Process
- Key Work Activities (KWA) cover:
 - Interconnection studies
 - Cost responsibility
 - Interim operation and agreements
 - Requirements for New Service Requests and to proceed through the interconnection process, as well as rules around project modifications
 - Opportunities that can positively impact the interconnection queue backlog.

Status Quo:

- Three phase process with some phases optional if certain criteria are met:
 - PJM OATT allows PJM to determine if Facilities study is necessary.
 - Small projects may be allowed to combine Feasibility and System Impact
- TOs use the Facilities study phase to perform preliminary engineering for all required work
- Interconnection facilities and network upgrade estimates & engineering performed at the same time by the same TO staff

Status Quo:

- Transmission Owners estimate costs based on their internal methods.
- No standard accuracy range between TOs
- First-to-cause responsible for 100% of the cost
- Contributors responsible for an allocated portion which is refunded to the first-to-cause

Status Quo:

- Customers can request an interim deliverability study at any point in the process
 - No study cost or deposit required
 - No proof of readiness required
- Interim ISA can be requested at any time and allows advancement of engineering and procurement but does not permit operation
- Issuance of Facilities study is coupled with tendering of an executable final agreement
- ISA and ICSA are separate agreements with different timelines for execution which creates additional burden for signatories

Status Quo:

- Large volume of projects in the queue
- Little dropout between subsequent study phases
- Majority of study deposit money is refundable. In certain phases, it is fully refundable.
- Project modifications can be requested at any time and require a study
 - Reductions and changes during the study phases
 - Additional changes permitted after final agreement is executed including project suspension

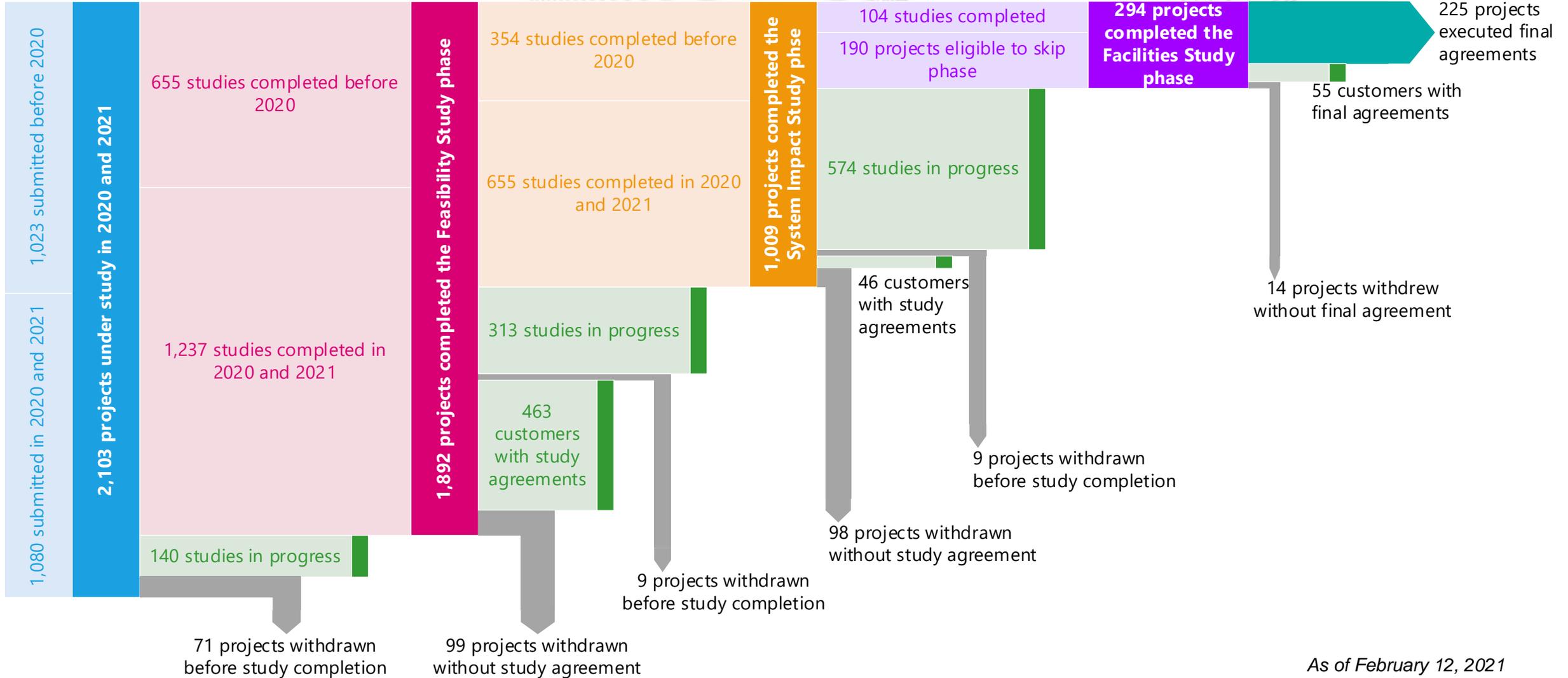


Interconnection Queue Throughput: 2020-2021

Feasibility Study

System Impact Study

Facilities Study



As of February 12, 2021

Status Quo:

- Roughly 1,600 active projects in the queue
- Average completion time for large projects (> 20 MW) is increasing
- Projects currently ready to move forward are “stuck” due to labor, time, or process constraints

- Use Consensus Based Issue Resolution process
- Problem Statement and Issue Charge to be reviewed and endorsed by the Planning Committee
 - First read – March PC
 - Endorse Issue Charge – April PC
- Venue – Options:
 - Task Force reporting to the PC
 - Special Sessions of the PC
- Meeting periodicity – monthly

Presenters:

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Interconnection Process



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