
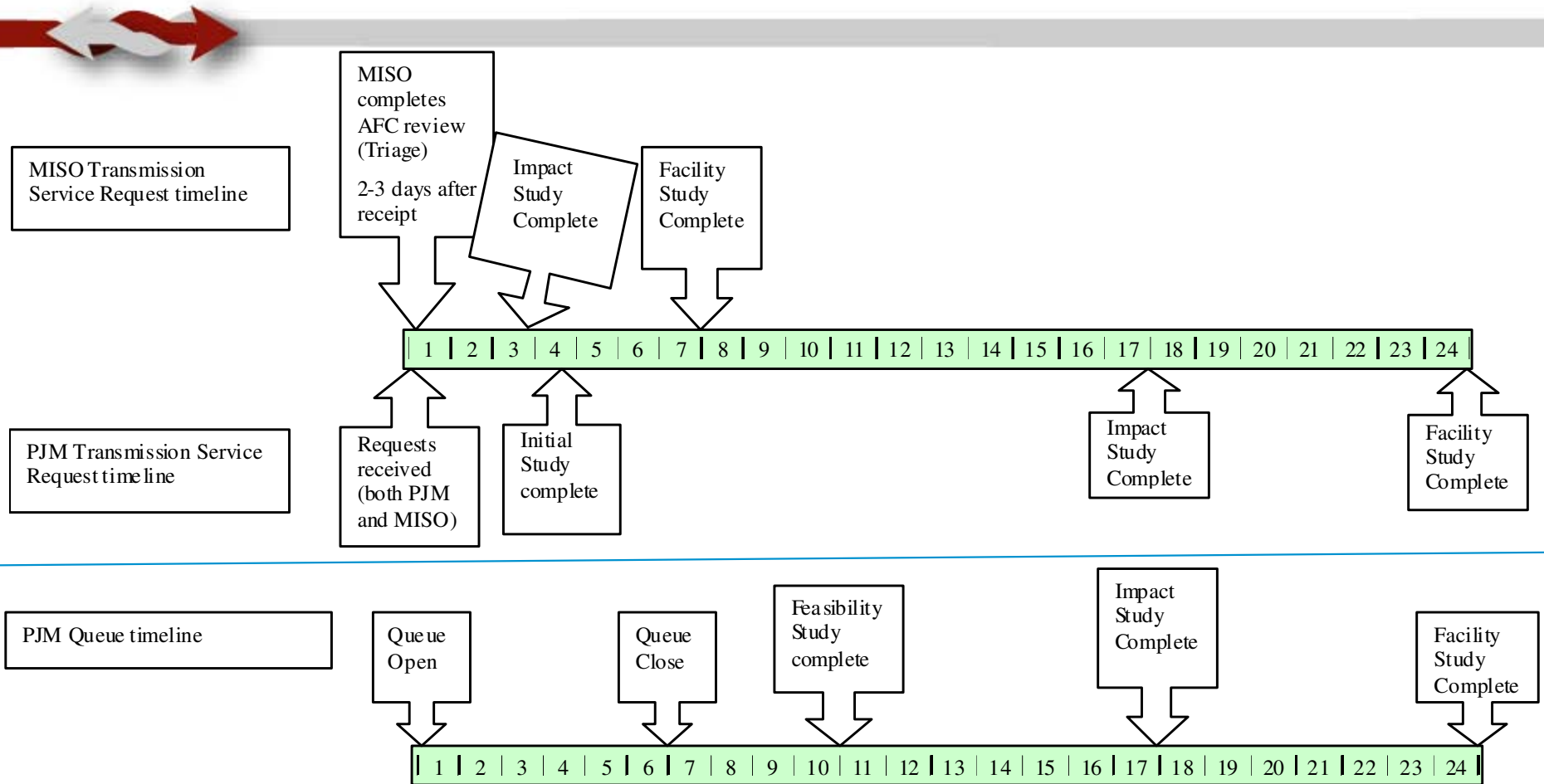




TSR Proposals

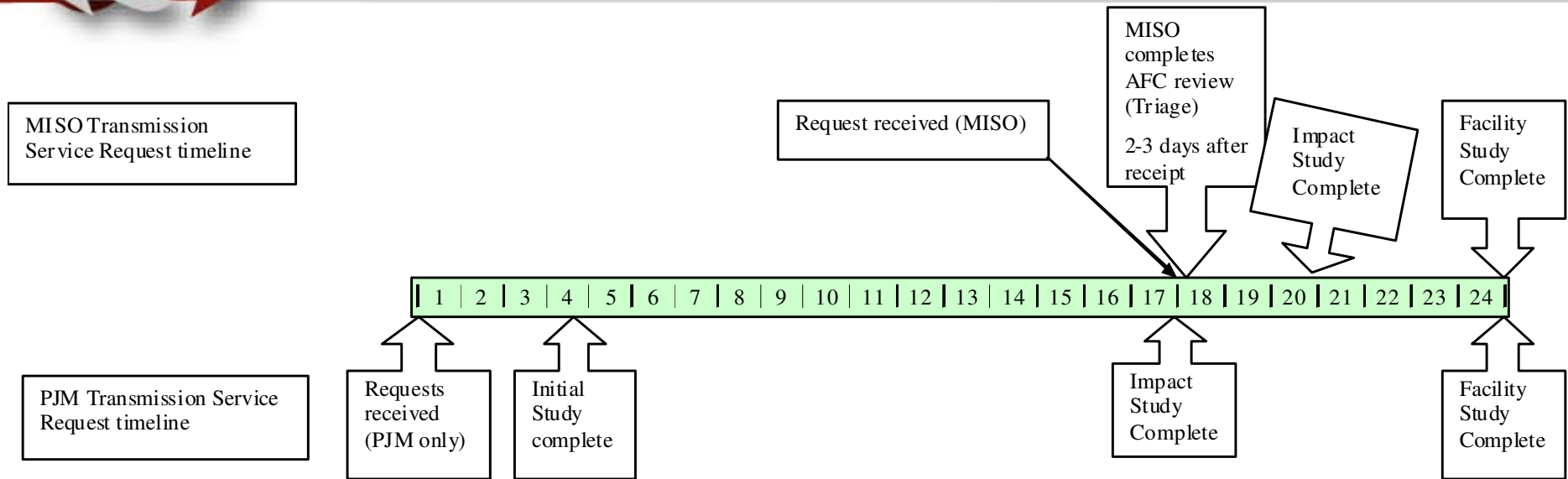
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1. Customers delays providing application to MISO for service in MISO until PJM Impact Study is completed
 2. Customers apply to both PJM & MISO at same time and PJM moves directly to the Impact Study **after** PJM queue closes (assumes Initial Study complete)
 3. Customers apply to PJM & MISO at different times and PJM moves directly to the Impact Study **before** PJM queue closes (assumes Initial Study complete)
 - To accommodate this it will be necessary to modify PJM cost allocation rules. Current rules relating to upgrade costs estimated at less than \$5M are shared by all projects in the queue
- In all proposals a reduction in the timing associated with the completion of the PJM initial study may be incorporated in the final solution

Current timelines



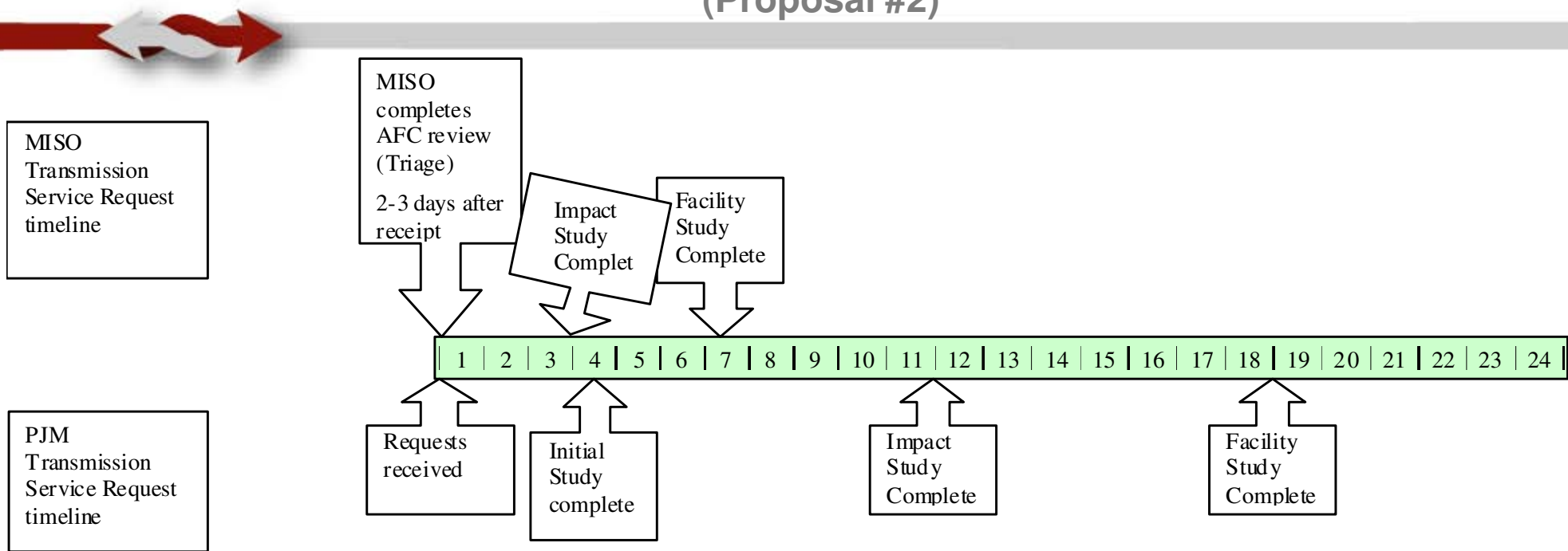
- Difference in time line between MISO and PJM TSR review necessary to accommodate the PJM queue process as shown in lower graph
- In PJM, while initial study can be completed quickly the impact study does not commence until time has elapsed to allow customers in the queue to make a decision following the completion of the feasibility study

Customer delays submitting application in MISO until PJM SIS complete (Proposal #1)



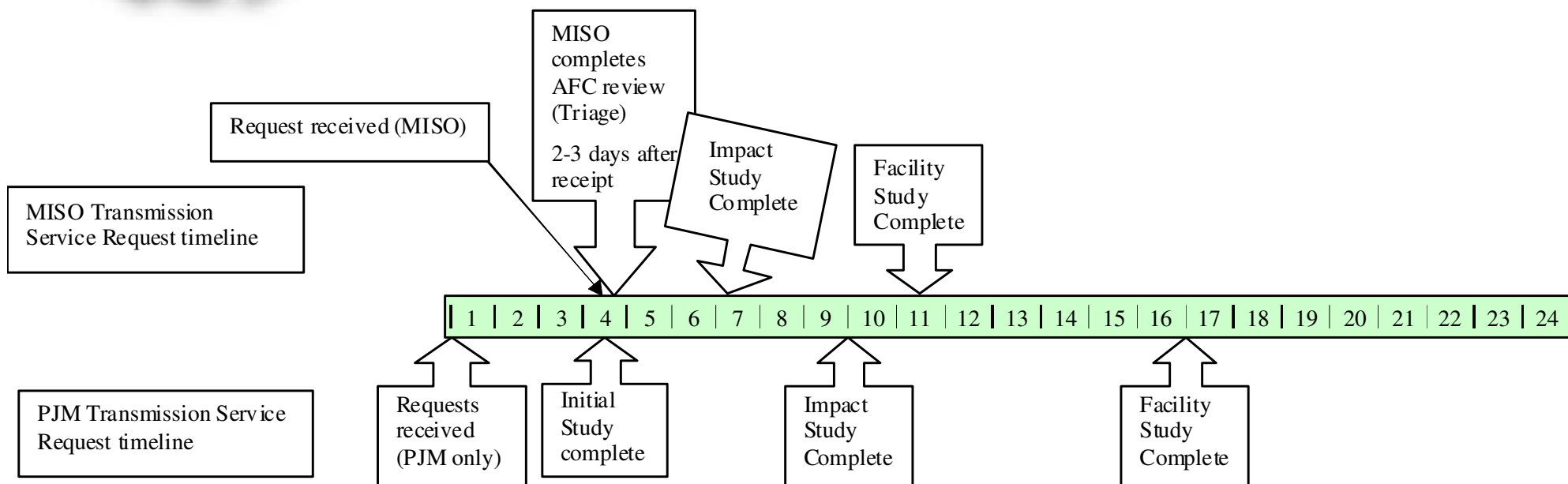
- No changes required to either PJM or MISO Tariff and Manuals
- Easy to implement
- Requires customer to delay application in MISO
 - Customer responsible for coordination of timing
 - Customer accepts risk that another customer may apply for service along the same path in MISO while the PJM study is being completed

PJM commences Impact Study for TSR customers after PJM queue closes (Proposal #2)



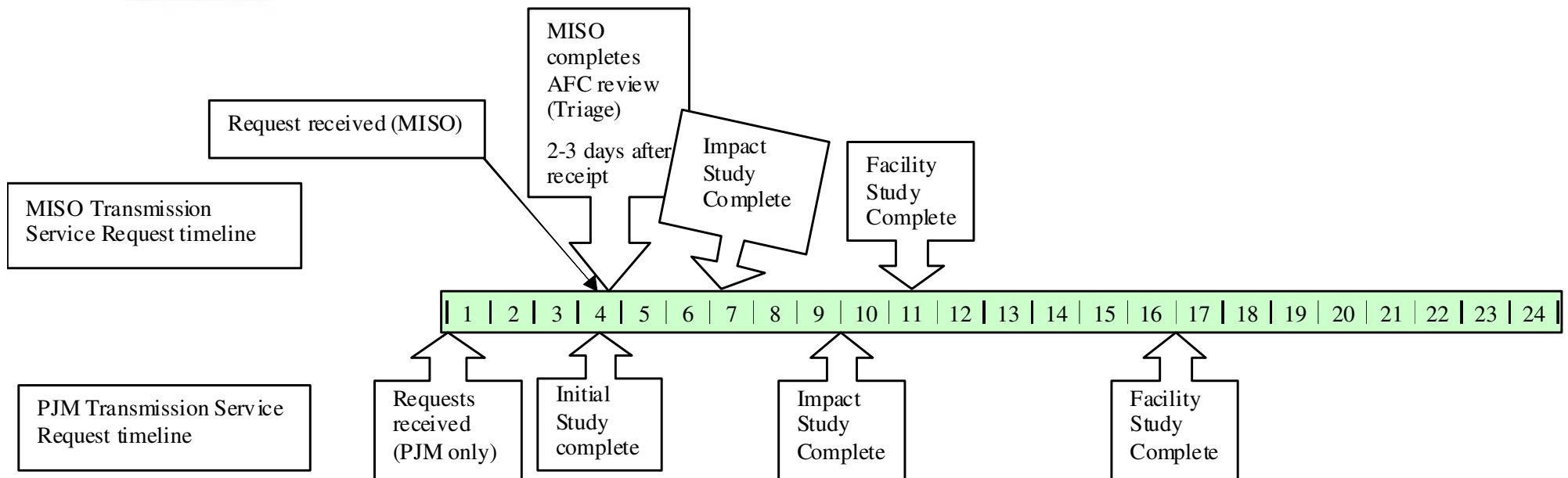
- Customer accepts additional risk of upgrades which may be specified due to timing of study
 - PJM must model all requests in PJM’s queue as they have not withdrawn which could result in an increased number of overloads identified
 - Customer would commence Facilities Study with upgrades specified in this first Impact Study
 - PJM would conduct restudy during normal queue process and then revise Facilities Study Scope as necessary from second System Impact Study
 - Completion of the second System Impact Study would be targeted for end of month 17 above
- Does not require PJM Tariff change
- Increases number of System Impact Studies to be completed
 - Additional studies may slow processing of all requests in PJM queue

PJM commences Impact Study for TSR customers before PJM queue closes & Customer delays submitting application to MISO (Proposal #3) ⁶

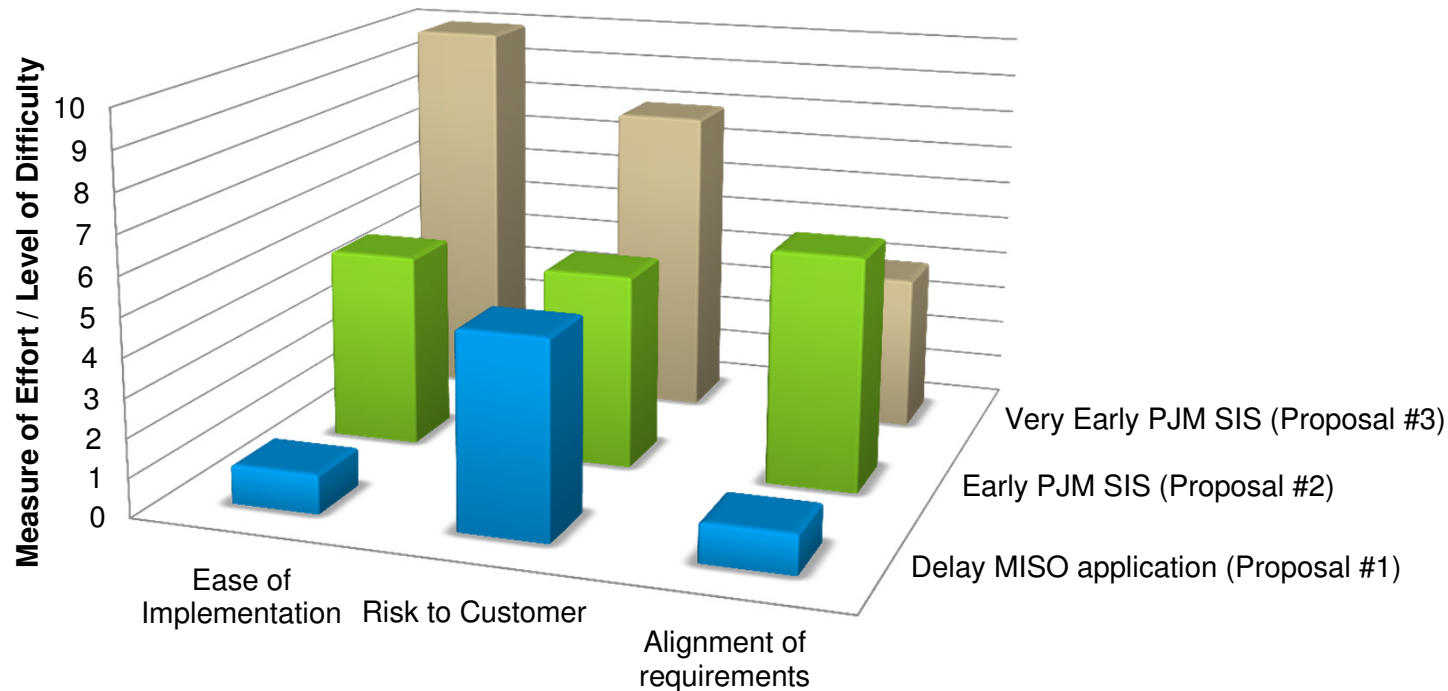


- Customer accepts additional risk of upgrades which may be specified due to timing of study
 - PJM model all requests in PJM's queue as they have not withdrawn which could result in an increased number of overloads identified
 - Customer would commence Facilities Study with upgrades specified in this first Impact Study
 - PJM would conduct restudy during normal queue process and then revise Facilities Study Scope as necessary from second System Impact Study
 - Completion of the second System Impact Study would be targeted for end of month 17 above

PJM commences Impact Study for TSR customers before PJM queue closes & Customer delays submitting application to MISO (Proposal #3) ⁷



- Requires customer to delay application in MISO
 - Customer responsible for coordination of timing
 - Customer accepts risk that another customer may apply for service along the same path in MISO while the PJM study is being completed
- Requires PJM Tariff change due to cost allocation impacts
- Increases number of System Impact Studies to be completed
 - Additional studies may slow processing of all requests in PJM queue



- Proposal #1 provides for the least impact to current processes and the best alignment of the results from both PJM and MISO
- Proposal #2 provides for increased complexity in performing PJM analysis and increase in the difference in time between customer receipt of results from PJM and MISO (**Preferred by PJM**)
- Proposal #3 provides for increased complexity in performing PJM analysis, will require PJM Tariff changes and a slight improvement to the difference in time between customer receipt of results from PJM and MISO as compared to proposal #2