

\*yellow highlighting is “state’s right language

Effective Date: TBD

## **PJM, Intra-PJM Tariffs, Operating Agreement, Definitions I-L**

### **Local Plan:**

“Local Plan” shall include those Supplemental Projects eligible for inclusion in the Regional Transmission Expansion Plan pursuant to Section 1.5.6(h) as identified by the Transmission Owners within their zone and Subregional RTEP projects developed to comply with all applicable reliability criteria, including Transmission Owners’ planning criteria or based on market efficiency analysis and in consideration of Public Policy Requirements.

## **Schedule 6**

### **1.3 Establishment of Committees**

(d) The Subregional RTEP Committees shall be responsible for the timely review of the criteria, assumptions and models used to identify reliability criteria violations, economic constraints, or to consider Public Policy Requirements, proposed solutions and written comments prior to finalizing the Local Plan, the coordination and integration of the Local Plans into the RTEP as set forth in this Schedule 6, and addressing any stakeholder issues unresolved in the Local Plan process. The Subregional RTEP Committees will be provided sufficient opportunity to review and provide written comments on the criteria, assumptions, and models used in local planning activities prior to finalizing the Local Plan. Supplemental Projects that have completed the process set forth in Attachment M-3 of the PJM Tariff will be included in the Local Plan when eligible to be included in the RTEP pursuant to Section 1.5.6(h) of Schedule 6. The Subregional RTEP Committees shall also be responsible for the timely review of the Transmission Owners’ criteria, assumptions, and models used to identify Supplemental Projects that will be considered for inclusion in the Local Plan for each Subregional RTEP Committee. The Subregional RTEP Committees’ meetings shall include discussions addressing interregional planning issues, as required. Once finalized, the Subregional RTEP Committees will be provided sufficient opportunity to review and provide written comments on the Local Plans as integrated into the RTEP, prior to the submittal of the final Regional Transmission Expansion Plan to the PJM Board for approval. In addition, the Subregional RTEP Committees will provide sufficient opportunity to review and provide written comments to the Transmission Owners on any Supplemental Projects included in the Local Plan in accordance with Additional Procedures for Planning of Supplemental Projects as set forth in Attachment M-3 of the PJM Tariff.

## Schedule 6

### 1.4 Contents of the Regional Transmission Expansion Plan

(a) The Regional Transmission Expansion Plan shall consolidate the transmission needs of the region into a single plan which is assessed on the bases of (i) maintaining the reliability of the PJM Region in an economic and environmentally acceptable manner, (ii) supporting competition in the PJM Region, (iii) striving to maintain and enhance the market efficiency and operational performance of wholesale electric service markets, ~~and~~ (iv) considering federal and state Public Policy Requirements, and (v) the more efficient or cost effective enhancements or expansions to meet identified regional needs, inclusive of locally identified needs.

## Schedule 6

### 1.5.4. Supply of Data

(a) The Transmission Owners shall provide to the Office of the Interconnection on an annual or periodic basis as specified by the Office of the Interconnection, any information and data reasonably required by the Office of the Interconnection to perform the Regional Transmission Expansion Plan, including but not limited to the following: (i) a description of the total load to be served from each substation; (ii) the amount of any interruptible loads included in the total load (including conditions under which an interruption can be implemented and any limitations on the duration and frequency of interruptions); (iii) a description of all generation resources to be located in the geographic region encompassed by the Transmission Owner's Transmission facilities, including unit sizes, VAR capability, operating restrictions, and an must-run unit designations required for system reliability or contract reasons; (iv) the current Local Plan; and (v) all criteria, assumptions and models used by the Transmission Owners, such as those used to develop Supplemental Projects. The data required under this Section shall be provided in the form and manner specified by the Office of the Interconnection

(b) In addition to the foregoing, Transmission Owners, those entities requesting transmission service and any other entities proposing to provide Transmission Facilities to be integrated into the PJM Region shall supply any other information and data reasonably required by the Office of the Interconnection to perform the enhancement and expansion study. **For Supplemental Project proposals, the required data, shall include, at a minimum, the written measurable criteria, models, and guidelines that support the need for a Supplemental Project in sufficient detail that PJM and other stakeholders can replicate the Transmission Owner's planning decisions and proposed solutions.**

**by July 15 of each calendar year, Supplement Project proposals that are eligible to be included in the recommended plan pursuant to Section 1.5.6(h) of this Schedule 6 shall be submitted to the Office of Interconnection for inclusion in the models prepared to perform the enhancement and expansion study.**

**Supplemental Projects receiving a final required or requested State Commission or other relevant regulatory authority necessity authorization after July 15 may be included in an sensitivity studies prepared by the Office of Interconnection pursuant to section 1.5.3 of this Schedule 6 presented to the TEAC or PJM Board prior to the finalization of that Regional Transmission Expansion Plan. In any case, once PJM opens a project proposal window, PJM may not consider subsequently submitted Supplemental Projects that would impact the need identified in the project proposal**

window unless submitted in the proposal window.

For Supplemental Project proposals, at the time any required or requested State Commission or other relevant regulatory authority necessity authorizations are filed with the appropriate State Commission or other relevant regulatory authority, a copy of the necessity authorization request or State Commission or other relevant regulatory authority necessity authorization should be provided to PJM and also posted on the PJM website. When the final required or requested State Commission or other relevant regulatory authority necessity authorization is granted, it should also be provided to PJM and posted on the PJM website. Completion of the required process under the OATT Attachment M-3 shall occur prior to the filing of requested or required State Commission or other relevant regulatory authority necessity authorizations.

## Schedule 6

### 1.5.6 Development of the Recommended Regional Transmission Expansion Plan.

(a) The Office of the Interconnection shall be responsible for the development of the Regional Transmission Expansion Plan and for conducting the studies, including sensitivity studies and scenario analyses on which the plan is based. The Regional Transmission Expansion Plan, including the Regional RTEP Projects, the Subregional RTEP Projects and the proposed Supplemental Projects shall be developed through an open and collaborative process with opportunity for meaningful participation through the Transmission Expansion Advisory Committee and the Subregional RTEP Committees.

(f) Upon completion of its studies and analysis, including sensitivity studies and scenario analyses the Office of Interconnection shall post in the PJM website the violations, system conditions, economic constraints, and Public Policy Requirements as detailed in Section 1.5.8(b) of this Schedule 6 to afford entities an opportunity to submit proposed enhancements or expansions to address the posted violations, system conditions (including those identified by Transmission Owners as warranting enhancements or expansions), economic constraints and Public Policy Requirements as provided for in Section 1.5.8(c).

(h) The recommended plan shall separately identify enhancements and expansions that are classified as Supplemental Projects. Effective XXX, only those Supplemental Projects that both meet the Operating Agreement Definition of Supplemental Projects and that have received all final, required or requested State Commission or other relevant regulatory authority necessity authorizations as needed for construction, siting or condemnation authority (or documentation from a State Commission indicating that it has affirmatively concluded consultation and/or review of the Supplemental Project, if consistent with its authority under any law, regulation or administrative order) shall be included in the recommended plan.

For proposed Supplemental Projects requiring a State Commission or other relevant regulatory authority necessity authorization, PJM shall, at a minimum, conduct its do no harm review when the necessity authorization application is filed. The results of such review shall be posted.

As part of PJM's do no harm review of any proposed Supplemental Project and after the completion of the required process under OATT Attachment M-3, PJM shall confirm that the proposed Supplemental Project meets the Operating Agreement definition of a Supplemental Project, which by definition are not projects needed for NERC, PJM Criteria, or

Transmission Owner Form 715 violations. Any proposed Supplemental Projects not meeting the Operating Agreement definition of Supplemental Project or not completing the required process under OATT Attachment M-3 will not be included in the Regional Transmission Expansion Plan.

If at any time PJM identifies a baseline violation that overlaps, in whole or in part, with a proposed Supplemental Project, PJM will notify the State Commission where the Supplemental Project is pending review that PJM is studying a baseline violation that may impact the need for the Supplemental Project.

In development of the Regional Transmission Expansion Plan, the Office of Interconnection shall determine, whether a Regional RTEP Project or Subregional RTEP Project, in whole or in part, can more efficiently or cost-effectively address both the regional needs and the identified drivers for proposed Supplemental Projects. If the Office of Interconnection so concludes, the Regional RTEP Project or Subregional RTEP Project would be included in the recommended plan instead of the proposed Supplemental Project. PJM can consider Regional RTEP Project proposals in its Proposal Windows that address combined supplemental and regional needs.

(n) Regional RTEP Project(s) and Subregional RTEP Project(s) ~~may not be~~ are required for compliance with the following PJM criteria: system reliability, market efficiency or operational performance, pursuant to a determination by the Office of the Interconnection. Supplemental Projects that, under Section 1.5.6(h) of this Schedule 6, are eligible to be included in the recommended plan, shall be separately identified in the RTEP and are not subject to approval by the PJM Board.

### **1.5.8 Development of Long-lead Projects, Short-term Projects, Immediate-need Reliability Projects, and Economic-based Enhancements or Expansions.**

(b) Posting of Transmission System Needs. Following identification of existing and projected limitations on the Transmission System's physical, economic and/or operational capability or performance in the enhancement and expansion analysis process described in this Schedule 6 and the PJM Manuals, and after consideration of not-transmission solutions, and prior to evaluating potential enhancements and expansions to the Transmission System, the Office of the Interconnection shall publicly post on the PJM website all transmission need information, including violations, system conditions including those system conditions identified by Transmission Owners as warranting enhancements or expansions), and economic constraints, and Public Policy Requirements, including (i) federal Public Policy Requirements;(ii) state Public Policy Requirements identified or agreed-to by the states in the PJM Region, which could be addressed by potential Short-term Projects, Long-lead Projects or projects determined pursuant to the State Agreement Approach in Section 1.5.9 of this Schedule 6, as applicable. Such posting shall support the role of the Subregional RTEP Committees in the development of the Local Plans and support the role of the Transmission Expansion Advisory Committee in the development of the Regional Transmission Expansion Plan. The Office of the Interconnection also shall post an explanation regarding why transmission needs associated with federal or state Public Policy Requirements were identified but were not selected for further evaluation.

## Schedule 6

### 1.6 Approval of the Final Regional Transmission Expansion Plan.

(a)Based on the studies and analyses performed by the Office of the Interconnection under this Schedule 6, the PJM Board shall approve the Regional Transmission Expansion Plan in accordance with the requirements of this Schedule 6. The Regional Transmission Expansion Plan shall reflect the Office of Interconnection's determination of the facilities to meet regional needs, including any regional projects that more efficiently or cost effectively address locally identified needs than the facilities proposed in the Local Plan. The PJM Board shall approve the cost allocations for transmission enhancements and expansions consistent with Schedule 12 of the PJM Tariff Supplemental Projects **that are eligible under Section 1.5.6(h) of Schedule 6** shall be integrated into the Regional Transmission Expansion Plan approved by the PJM Board but shall not be included for cost allocation purposes.

While the PJM Board does not approve Supplemental Projects, the PJM Board retains exclusive authority over the Regional Transmission Expansion Plan, including the timing of inclusion and removal of any enhancement or expansion from the RTEP.