M-3 Process Lessons Learned

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My perspective

• A few of the recommendations from the Continuum Report
  • Take steps to improve the PJM Stakeholder process and better implementation of the PJM Attachment M-3 process
  • *More engagement by state advocates and the state commissions in the process M-3 process*
  • *Improve expertise of the state advocates in the transmission planning area*

• Ongoing questions:
  • Is there value in participation (for the consumer advocates)?
  • What is PJM’s role in the process? (facilitator? independent expert? Regulatory judge?)
  • What are the expectations of PJM and the proposals and are they reasonable?
  • Is the M-3 process atmosphere achieving stakeholder engagement (or is too focused on preserving legal positions?)
Positive steps forward

• The Lessons Learned meetings and efforts put forth to improve the process
• Some Transmission Owners have reached out to proactively talk to the advocate offices prior to posting a Sub-regional item – this has been well received and greatly appreciated.
• Presentations for Sub-regional discussions
  • Changes to the slide formats - identification of the entity presenting is greatly appreciated.
  • It would also help to see contact information
• Efforts by the Transmission Owners to include technical (and field) expertise in the discussions is greatly appreciated.
What value do you place on the participation of customers?

• The Consumer Advocate offices are representing customers!
• What level of service and responsiveness should consumers expect from PJM (and their transmission owners)?
  • Most common frustration relates to responsiveness to questions/comments
    • How many times must a request be made?
    • The prevailing thought is that “no response is a response”

• Does the current framework lend itself to (more) active participation?
  • My impression is that most advocates would say “no”
  • My concern – frustration with the lack of process/information is the reason for lack of engagement.
Action Plan requests from PJM Load Group* (presented during July 12 meeting)

- The opportunity to participate is being rendered meaningless
- TOs are presenting Needs but most are providing insufficient information to stakeholders to validate that the identified Needs are justified
- The review of potential Solutions is not meaningful
- There is insufficient information about when a Solution is integrated into the PJM local Plan
- Most of the TOs are not providing enough information or timely information for Stakeholders to replicate their results per FERC Show cause Orders.
- Customers are scheduling periodic additional meetings with TOs to get detailed information on Assumptions, Needs, and Solutions. Working relatively well but entirely outside of the PJM planning process – not transparent or predictable and not consistent with the Show Cause Order.
- The PJM TOs are not in compliance with the letter of Attachment M-3

*No responses received as of October 1, 2019
PJM's Mission & Vision

Vision
To be the electric industry leader - today and tomorrow - in reliable operations, efficient wholesale markets, and infrastructure planning.

Mission

- As the primary task, to ensure the safety, reliability and security of the bulk electric power system.
- Create and operate robust, competitive and non-discriminatory electric power markets.
- Understand customer needs and deliver valued service to meet those needs in a cost-efficient manner.
- Achieve productivity through the efficient union of superior knowledge workers and technology advances.
What is PJM’s role in the M-3 Process?

Facilitator
• Set the agenda
• Manage the agenda
• Provide the audio/visual
• Provide the room/refreshments
• “PJM’s review is minimal”

Facilitating (what advocates would like to see)
• Review the proposals for a minimal level of information
• Ensure that parties are held accountable
• Take notes and seek follow-up where necessary/appropriate
• Provide 3rd party perspective/expertise
Examples – Without basic information participation in the process is meaningless

Fundamental questions about the Needs process – based on the principle more information is needed to verify the need.

• For condition drivers, TO’s present the number of structures and the number of open conditions, but only some provide the number of structures with open conditions.

• Most TOs cite the number of outages as a driver for condition/performance need, but do not provide cause of outages, and ordinarily do not have information on hand.

• TOs cite age of initial line as vintage of entire line, without providing percentage of total line that is original vintage.

• Some consistency needed with factors used to determine need based on performance, such as SAIDI, SAIFI and CAIDI, particularly as to # of years used to calculate and what data set is used (service to other utilities vs. vertically integrated distribution affiliate)
Stakeholder process or legal proceeding? *there is a difference

- Presentations should include all relevant information (in some situations that will require providing more than a minimum standard or minimum amount of information)
- Expectations that all questions must be presented in writing (to a website).
  - This creates access and timing issues
  - Significantly curtails the window of opportunity to discuss
  - Minimizes ability to have follow-up
- There is no contact information on slides this creates more timing hurdles
- Lawyering up and selective case citing during process discussions
- 10-day input deadline is a deadline to fail when:
  - The proposal does not include an adequate level of information
  - Requests for information are left unanswered
  - There is no process to get answers or follow-up

- PJM not providing feedback – playing facilitator role.
  - How engaged is PJM in the M-3 process?
  - It creates confusion when PJM plays such a limited role in the process.
  - Should the M-3 process meetings (and the planning committee) be run by PJM or by an independent party?