5.3 Proposal Window Violation Inclusion Review Process

5.3.1 Identify Violations and Needs
After PJM identifies potential violations and needs based on the analyses performed under the criteria tests described in PJM Manual 14B, PJM initiates a review process to determine if each flowgate is appropriate for inclusion in a RTEP proposal window. PJM will apply best efforts to allow a reasonable amount of time between the posting of its results and the opening of a proposal window. By default, all identified PJM market monitored reliability criteria violations are assumed to be included in an RTEP Proposal window unless they fall into one of the following exemption categories, as described in more detail below:

- Immediate-need Reliability Projects;
- Transmission Owner filed FERC Form 715 Local Planning Criteria;
- Lower Voltage (<200 kV) Facilities; and
- Transmission Substation Equipment.

The above stated exemptions will be posted to give stakeholders a reasonable opportunity to review and provide comments for consideration on the violations expected to be included or excluded from the competitive planning process via the TEAC, as described in Schedule 6 of the PJM Operating Agreement. Stakeholders must provide written comments to PJM regarding PJM’s determination to exempt a potential violation from a proposal window no later than 30 days after the opening of the window. All written comments will be publicly available on the PJM website for a review period of at least 10 days.

If PJM determines that a previously exempted violation should be included in a proposal window, a minimum of a 30 day open proposal window for the violation will be provided. This could fall within a currently open window, the extension of a currently open window or the use of an addendum window.

5.3.2 Immediate Need Reliability Projects
Immediate-need Reliability Projects are those that are required to be in service in 3 years or less. As defined in Schedule 6 of the Operating Agreement, if PJM determines that insufficient time remains for PJM to conduct a short-term project proposal window for a potential reliability violation needed in three years or less, PJM may exclude the immediate-need reliability violation(s) from the proposal window process. If, however, PJM determines that sufficient time exists to include an immediate-need reliability violation in an RTEP Proposal Window, PJM will open a proposal window, as described in Schedule 6, of the PJM Operating agreement.

5.3.3 Transmission Owner FERC Form 715 Local Planning Criteria
Potential violations that are driven solely by transmission owner Form 715 planning criteria will be cost allocated 100% to the zone of the transmission owner who submitted the Form 715 local planning criteria. Additionally, based on Schedule 6, of the PJM Operating Agreement, any project that is cost allocated to a single zone, and is geographically located within that zone, shall be reserved for the incumbent Transmission Owner to construct and, therefore, is not eligible for inclusion in the Competitive Planning Process.
5.3.34 Lower Voltage Facilities

Potential reliability violations on facilities below 200 kV are excluded from the competitive planning process unless the identified violation(s) satisfies one of the following two exceptions to the lower voltage facility exemption:

1. The reliability violations are thermal overload violations identified on multiple facilities rated below 200 kV that are impacted by a common contingent element such that the multiple reliability violations could be addressed by one or more solutions, including but not limited to a higher voltage solution; or

2. The reliability violation are thermal overload violations on multiple facilities rated below 200 kV that given the location and electrical features of the violations, one or more solutions could potentially addresses or reduce the flow on multiple lower voltage facilities, thereby eliminating the multiple reliability violations.

If the identified reliability violation does not satisfy either of the two exceptions, PJM will develop a solution to address the violation that will not be included in a proposal window. PJM will post the proposed solution on the PJM website for review and comment by the TEAC and other stakeholders.

5.3.45 Transmission Substation Equipment

Thermal reliability violations on transmission substation equipment that can be solved by an upgrade to an existing transmission facility in a substation (with the exception of power transformers) shall be excluded from the Competitive Planning Process.