Second set of questions and comments for the PJM TEAC meeting, October 31, 2023.
Maryland Office of People's Counsel (OPC)

OPC submits the following second set of questions and comments to the PJM TEAC for consideration and response by PJM. These questions and their anticipated responses are subject to the conditions set forth in the preamble to OPC's first set of questions previously transmitted on October 30, 2023.

(Second Set) (1) Do the solutions PJM is recommending from the 2022 RTEP Window 3 procurement address the retirement of the Wagner facility in 2025? If not, please respond to the following --

a) PJM is required to adhere to certain NERC criteria (e.g., N-1-1, etc.) Has PJM designed beyond these criteria in selecting the proposed projects? If so, explain.
a) Whether it did or didn't, what is the probability range of any of the criteria actually occurring? (1 in XXX)
b) What would be the worst-case consequences if a failure associated with any one of these criteria violations were to occur? Please address in terms of dropped MWs, duration and location.
c) If the plants' owner (of the Wagner and Brandon Shores plants) does not agree to RMR arrangements (for either or both of the plants) and DOE declines a 202(c) order to require the plants to continue to operate, what will PJM do to keep the grid reliable?

(Second Set) (2) The transmission projects recommended for award from the 2022 RTEP window 3 procurement will presumably supply generation from across the grid to serve anticipated load growth in specific locations and to address overall grid reliability. How confident is PJM that the supply resources that this transmission is intended to reach will actually be around (not deactivated or derated) in the next 5 years -- especially since generators are only required to give PJM 90-day notice that they will deactivate?

(Second Set) (3) Please perform a cost allocation calculation for all PJM zones for this entire project.

(Second Set) (4) The slides indicate that over $1B of transmission related to this study has been postponed until sufficient generation develops in the area that the proposed transmission would be extended to. Based on load growth projections, when would sufficient generation need to be developed in that area before PJM expects reliability violations to occur? At what reduced level of demand from the data centers would this additional transmission project no longer be needed?

OPC maintains its request for responses to its first set of questions/comments. To assist PJM in preparing the responses regarding the planning in specifically response to the Brandon Shores and Wagner plants' deactivation, OPC prioritizes those questions as follows:

- What level of reliability violations arise due to sub-groups of the Wagner units retiring? Could certain units retire without triggering a need for grid upgrades?

- What is the timing for the grid upgrades for Wagner? Specifically, if the Wagner related upgrades are projected to take three years or more, wouldn't it be reasonable to examine the need for such upgrades after the Grid Solutions Package (for Brandon Shores) is in place and Brandon Shore has been deactivated. This way, any grid issue that could be addressed or mitigated by the Grid Solutions Package seemingly would not trigger additional (unnecessary) investment. Even in the case that the Wagner related upgrades can be delivered prior to the deactivation of Brandon Shores, a comprehensive analysis should still look into the need for upgrades under both cases:
    - Assuming Brandon Shores operates.
    - Assuming Brandon Shores is deactivated, and the Grid Solutions Package is online.

- What is the PJM process should Talen refuse to keep either of the plants as RMR?

- Will any grid upgrades associated with the deactivation of Wagner be considered immediate need and what is the basis for this?

- Is PJM examining any alternatives including projects in the interconnection queue (even if they lack ISAs)?