



FERC Interconnection NOPR

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Interconnection Projects

On June 16, 2022, FERC issued a Notice of Propose Rulemaking (NOPR)

- NOPR Title: Improvements to Generator Interconnection Procedures and Agreements
- FERC proposes to reform its pro forma LGIP, SGIP, LGIA and SGIA to address backlogs, improve certainty and prevent discrimination to new technologies
 - Ensure the gen interconnection process is just and reasonable
- PJM is currently reviewing and preparing response comments

A.

Reforms To Implement a **First-Ready, First-Served Cluster** Study Process

B.

Reforms To **Increase the Speed** of Interconnection Queue Processing

C.

Reforms To Incorporate **Technological Advancements** Into the Interconnection Process

- PJM agrees there is a critical need to reform interconnection processes
 - To that end PJM filed a comprehensive overhaul in June 2022 following 18 month stakeholder process
- PJM and its stakeholders have prioritized certainty and efficiency over flexibility
- Penalties and elimination of the Reasonable Efforts standard will not help TPs and are likely to be counter productive
- Several proposals are intended to provide flexibility and additional information but will tie up scarce resources

- The Commission Should Focus on Modifications to the LGIP and LGIA That Will Allow Transmission Providers To Manage The Volume of Projects in The Interconnection Process And Cut Down on Delays And Study Backlogs
- Biggest challenges are unmanageable queue volume and delays in queue processing
 - No way to determine how much engineering work is need for each cluster so arbitrary deadlines are not helpful
 - Delays caused by project flexibility and restudies caused by speculative project withdrawals
- PJM's filing focuses on solutions to efficiently process interconnection studies and ensure project readiness

- PJM strongly opposes the NOPR's proposals to penalize transmission providers and transmission owners for study delays and to eliminate the Reasonable Efforts standard.
- Adding monetary penalties will not solve the problem of limited resources or unmanageable volume; this is particularly true for not-for-profit RTOs
- Likely erosion of the Transmission Provider – Transmission Owner relationship
- Does not address root cause of delay
- PJM supports reporting mechanisms and metrics to increase transparency and allow stakeholders to monitor PJM's timeliness

- Affected Systems
 - Having Affected Systems process defined in the tariff will be inefficient
 - Every Transmission Provider is on a different schedule
- Optional Resource Solicitation Study
 - Given PJM's large footprint, there are large numbers of RPEs that could seek even larger number of studies
- Surplus Interconnection Service
 - PJM sees little value in current Surplus Interconnection Service and sees no benefit in expanding
- Operating Assumptions for Interconnection Studies
 - Inconsistent with how studies are performed vs real time operation
 - Documentation and enforcement burden for how modeled/studied and how they operate
- Alternative Transmission Technologies
 - Another injection of additional workload
 - Different Transmission Owners have different philosophies and/or requirements



Questions? Contact

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