



# Site Control Requirements

Sept 26<sup>th</sup> IPS

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Manager Interconnection Planning Projects

- Developers provided a May presentation on Site Control and at the request of PJM we received additional feedback over the last month
- Some Key themes observed are:
  - Developers continue to optimize projects as they move through the interconnection process
  - Standard development process works in parallel with the Interconnection Queue process
  - Prior to entering queue, typical diligence is based on high-level desktop studies and preliminary field studies
  - After entering the queue, the developer continues with further due diligence (i.e. investment in various studies) to identify potential issues
  - Developers must weigh the risk of interconnection (studies timing and result) versus investment of additional studies which can have significant cost. Developers state it is necessary to delay these studies as risk mitigation

- Site Control is intended to show project readiness
  - We want to know: can this facility actually be built
- It is in the best interest of all parties for only the most ready projects to be included in the study.
  - Including projects that have no clear path to commercial operation into the cases increases flow gates and network upgrade costs which could negatively impact other projects decision to advance or withdraw
- We want to provide the best and most accurate studies to developers in order to help make the best decision on project viability
  - Our mechanism to do this is via Study/Readiness Deposits and Site Control
  - We don't ask for PPA, permits, equipment POs at application which are other possible measures of readiness

## **FERC IPRTF Approval**

- **P99** The proposed site control requirements are intended to help reduce speculative projects entering and progressing through the interconnection process and causing the need for restudies and resulting in delays. We agree with PJM that more stringent site control requirements will discourage or prevent project developers from submitting speculative projects. Although the proposed site control requirements will add to the burden of prospective interconnection customers, we find that those burdens will be outweighed by the benefits associated with decreasing the number of speculative interconnection requests entering the interconnection queue, such as improving PJM's ability to timely process viable interconnection requests.
- **P103** We therefore find that PJM's proposed site change provisions and required demonstration of site control for both the initial site and the adjacent parcels will help ensure that projects entering the queue obtain site control for the site they actually intend to use while also providing some flexibility for a site change to an adjacent parcel.

Reference: [FERC Docket ER22-2110-000](#)

## **Order 2023-A**

- **P198** Consistent with Order No. 2023, we find that it is the interconnection customer's responsibility to obtain exclusive site control over the term of expected operation of the generating facility.
- **P199** In cases where it is particularly challenging or costly to achieve exclusive site control, the interconnection customer may not be ready to proceed with the construction and commercial operation of the generating facility, and therefore it may be inappropriate to submit an interconnection request for such a facility.

Reference: [FERC Order 2023-A](#)

- We reviewed all feedback provided and believe the current tariff provides a path for parcel changes
- The tariff language requires developers to submit evidence which is “identical to the Site Control evidence submitted in the Application Phase”
  - PJM would consider the “identical” requirement being met provided enough acres from the application submission are carried forward to meet the projects acre/MW requirement
  - This means projects would not be penalized for submitting more acres than required to meet the acre/MW requirement for the project and then removing parcels if it is determined some are no longer viable
- Alternatively, developers could elect to perform additional investments in parcels to determine viability before submission
  - Qscope tool is available to assess possible overloads prior to application submission
  - Having this information prior to submission can help de-risk necessary investments which help to understand how “buildable” a parcel is prior to application submission
- In the event the project needs to fundamentally change their site control (i.e. elects not to maintain enough parcels from application submission), PJM believes it is appropriate to withdraw the prior queue position and re-submit the new site control for a new submission.
- Site control provided at DP3 is placed into the GIA’s site plan
  - PJM has concerns that post-GIA parcel changes will materially impact project development timeline and ultimately the project milestones established with the executed and filed agreement

Application Submission	DP1	DP2	DP3	Post-GIA
<p><b>Generating Facility:</b></p> <ul style="list-style-type: none"> <li>One-year term beginning from the Application Deadline</li> <li>Covers 100% of the Generating Facility or Merchant Transmission Facility Site including the location of the high-voltage side of the Generating Facility’s main power transformer(s).</li> </ul>	<p><b>Generating Facility:</b></p> <ul style="list-style-type: none"> <li>Additional one-year term beginning from last day of the relevant Cycle, Phase I</li> <li><u>Identical to the Site Control evidence submitted in the Application Phase</u></li> <li>Continue to cover 100% of the Generating Facility or Merchant Transmission Facility Site</li> </ul> <p><b>Interconnection Facilities</b></p> <ul style="list-style-type: none"> <li>One-year term beginning from last day of the relevant Cycle, Phase I</li> <li>Cover 50% of the linear distance of Interconnection Facilities</li> </ul> <p><b>Interconnection Switchyard</b></p> <ul style="list-style-type: none"> <li>One-year term beginning from last day of the relevant Cycle, Phase I</li> <li>Cover 50% of the linear distance of Interconnection Facilities</li> </ul> <p><b>Modifications:</b> May specify a change to the project Site only if:</p> <ul style="list-style-type: none"> <li><u>Satisfied requirements for both initial application and newly proposed site</u></li> <li>Initial and proposed are adjacent</li> </ul>	<p>There are no Site Control evidentiary requirements at Decision Point II.</p> <p><b>Modifications:</b> May specify a change to the project Site only if:</p> <ul style="list-style-type: none"> <li><u>Satisfied requirements for both initial application and newly proposed site</u></li> <li>Initial and proposed are adjacent</li> </ul>	<p><b>Generating Facility:</b></p> <ul style="list-style-type: none"> <li>Additional three-year term beginning from last day of the relevant Cycle, Phase III</li> <li><u>Identical to the Site Control evidence submitted in the Application Phase</u></li> <li>Continue to cover 100% of the Generating Facility or Merchant Transmission Facility Site</li> </ul> <p><b>Interconnection Facilities</b></p> <ul style="list-style-type: none"> <li>Additional three-year term beginning from last day of the relevant Cycle, Phase III</li> <li>Cover 100% of the linear distance of Interconnection Facilities</li> </ul> <p><b>Interconnection Switchyard</b></p> <ul style="list-style-type: none"> <li>Additional three-year term beginning from last day of the relevant Cycle, Phase III</li> <li>Cover 100% of the linear distance of Interconnection Facilities</li> </ul> <p><b>Modifications:</b> New Service Requests may not be changed or modified in any way for any reason during Decision Point III.</p>	<p>Appendix 2 Terms and Conditions governs any changes</p> <p><b>3 Modification of Facilities</b></p> <ul style="list-style-type: none"> <li>Transmission Provider and Interconnection Entity enter into a Necessary Studies Agreement (NSA) to determine Material Modification</li> <li>If NSA determines change as a “Material Modification”, Project Developer shall then withdraw the proposed modification or proceed with a new Interconnection Request for such modification</li> <li>“Material Modification” defined as any modification to a Generation Interconnection Agreement that has a <u>material adverse effect on the cost or timing of Interconnection Studies</u> related to, or any Distribution Upgrades, Network Upgrades, Stand Alone Network Upgrades or Transmission Owner Interconnection Facilities needed to accommodate, any Interconnection Request with a later Cycle.</li> </ul>

Application Submission	DP1	DP2	DP3	Post-GIA
<p>This establishes the projects initial parcels</p> <p><u>PJM requires the project to control at least the minimum acres/MW from this application submission through GIA from this initial set.</u> This ensures the tariff requirement for “Identical to the Site Control evidence submitted in the Application Phase” is met.</p>	<p>ADD new parcels</p> <ul style="list-style-type: none"> <li>Parcels added need to meet adjacency requirements.</li> </ul> <p>AND/OR</p> <p>REMOVE parcels as long as Project <u>continues to meet minimum acres/MW from the initial parcels</u></p> <ul style="list-style-type: none"> <li>Parcels removed no longer need to be held under control. Since the project still has adequate acres/MW from the initial set, what is removed no longer needs to be demonstrated.</li> </ul>	<p>No explicit Site Control demonstration requirements HOWEVER modification is allowed:</p> <p>ADD new parcels</p> <ul style="list-style-type: none"> <li>Parcels added need to meet adjacency requirements.</li> </ul> <p>Developers can remove parcels however not required to demonstrate.</p> <p>Initial parcels continue to meet the minimum acres/MW</p>	<p>New Service Requests may not be changed or modified in any way for any reason during Decision Point III.</p> <p>No new parcels can be added.</p> <p>Reductions can be made to the parcel set provided the project maintains enough of the initial parcels submitted at the application to meet the minimum acres/MW.</p> <p>All parcels submitted at DP3 are required to be on the GIA site plan</p>	<p>Parcel changes require NSA to determine if change is allowed.</p> <p>If allowed, PJM will process an Agreement to Amend.</p>

## Application Submission

1	2	3	4
5	6	7	8

Establishes initial parcel set. This represents a 100 MW MFO solar project that requires a minimum of 500 acres. Each block represents 100 acres. 300 acres is provided beyond what is required for the MW and technology of project. This grants Project Developer flexibility throughout process.

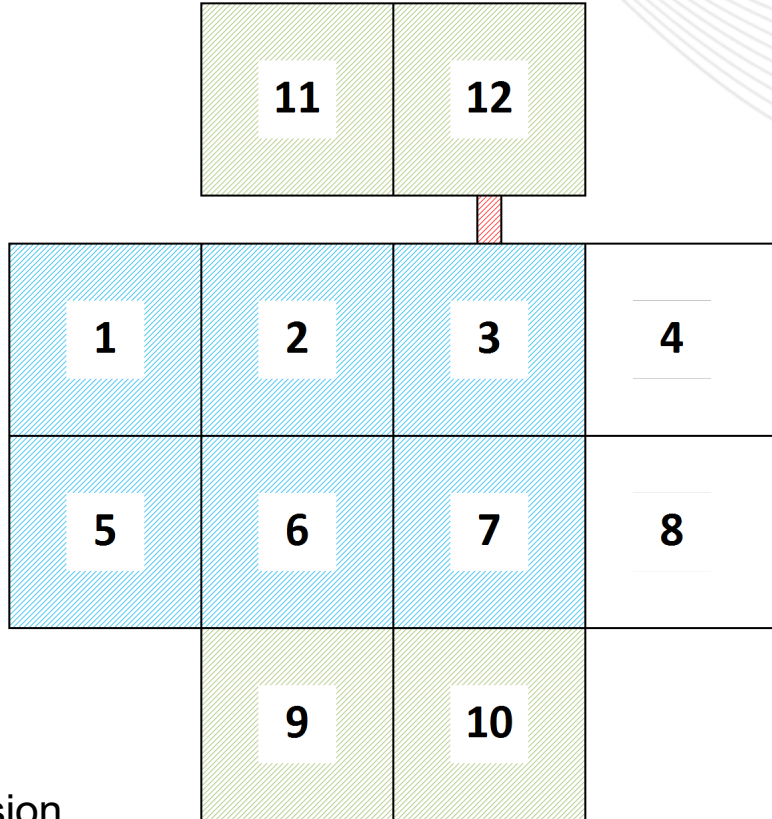
## DP1 Submission

1	2	3	4
5	6	7	8
	9	10	

DP1 Submission – Parcel 8 is “dropped.” Parcels 9 and 10 have been added. Initial parcels still meets acreage requirements and can be considered identical.



## DP2 Submission



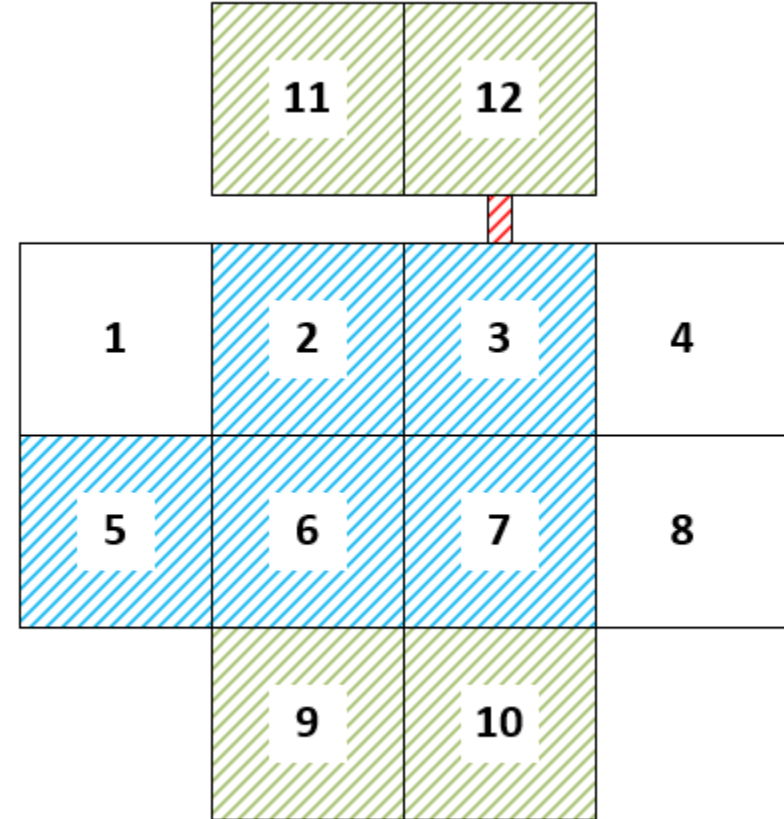
DP2 Submission

Parcel 4 is “dropped.”

Parcels 11 and 12 have been added and is adjacent via easement.

Initial still meets acreage requirements and can be considered identical.

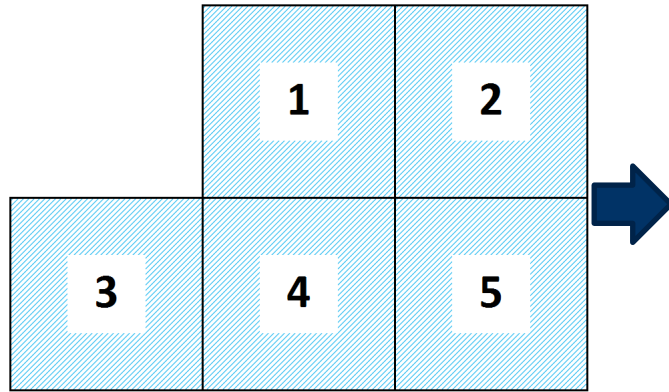
## DP3 Submission



Parcel 1 is “dropped.”

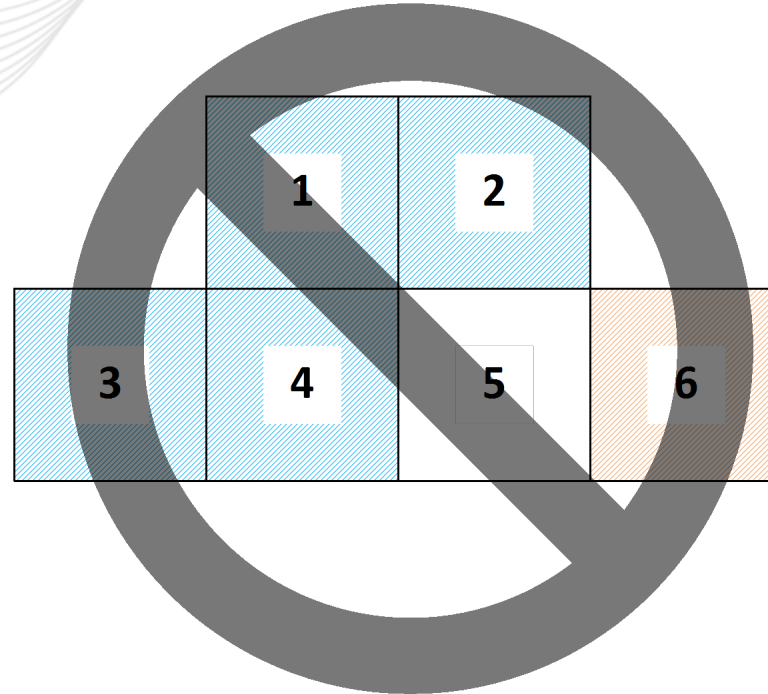
Initial still meets acreage requirements and can be considered identical.

## Application Submission



Application Submission – The blue represents entire submission of 5 100 acre parcels. 500 acres is required for a 100 MW solar project. This represents the initial that is must always meet tariff requirements for site size.

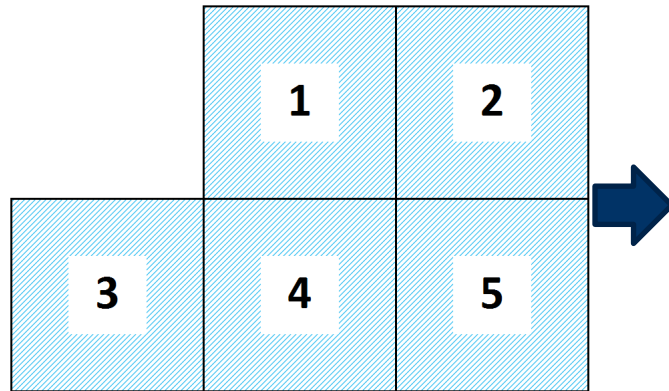
## DP1/DP2 Submission



Not acceptable DP1/DP2 Submission – This submission would be found deficient because the initial site does not satisfy Site Control requirements.

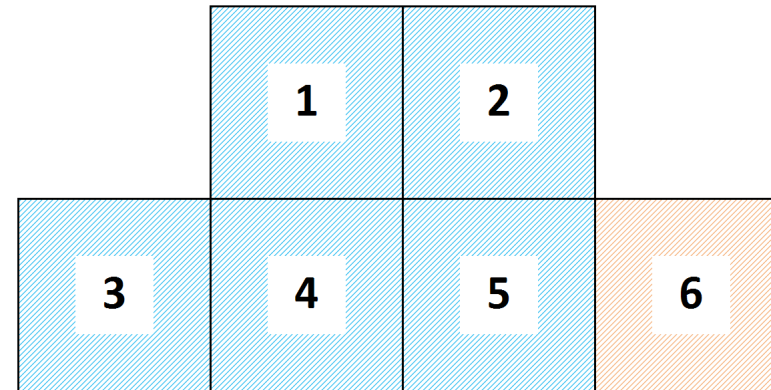
\*Assuming no PE stamped drawing supplied

## Application Submission



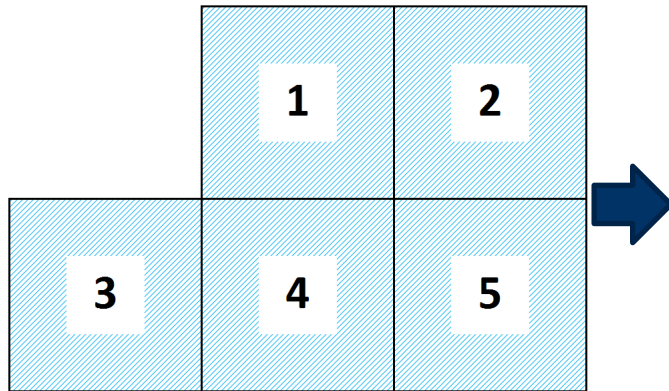
Application Submission – The blue represents entire submission of 5 100 acre parcels. 500 acres is required for a 100 MW solar project. This represents the initial parcels that must always meet tariff requirements for site size.

## DP1/DP2 Submission



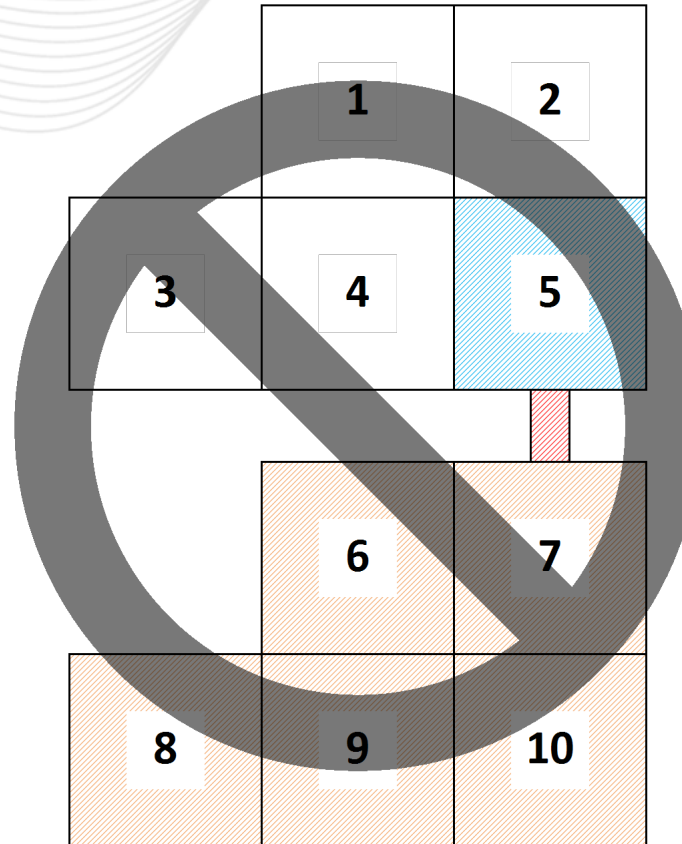
Acceptable DP1/DP2 Submission – This submission would be accepted because the initial site proposed satisfies requirements for Site Control

## Application Submission



Application Submission – The blue represents entire submission of 5 100 acre parcels. 500 acres is required for a 100 MW solar project. This represents the initial parcels that must always meet tariff requirements for site size.

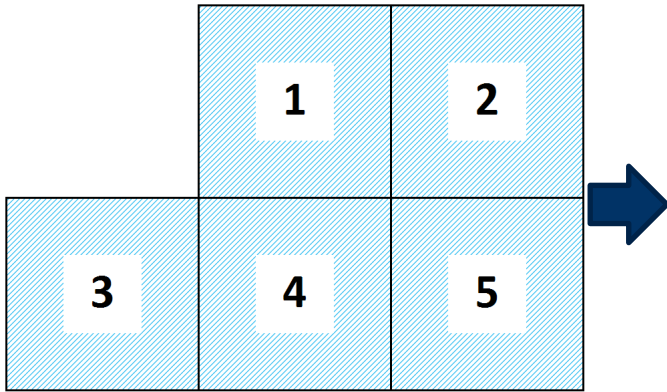
## DP1/DP2 Submission



Not acceptable DP1/DP2 Submission – This submission would be rejected because the evidence of Site Control does not meet acreage requirements based on Initial parcels

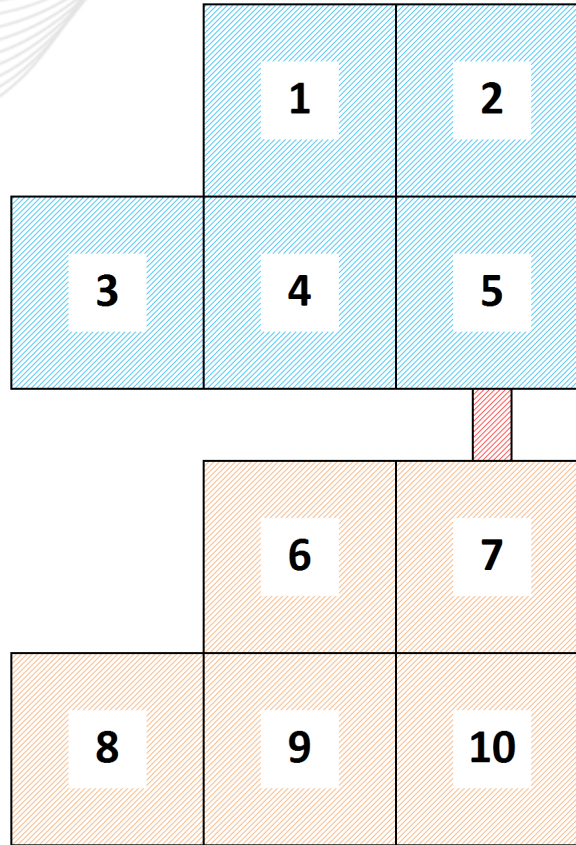
\*Assuming no PE stamped drawing supplied

## Application Submission



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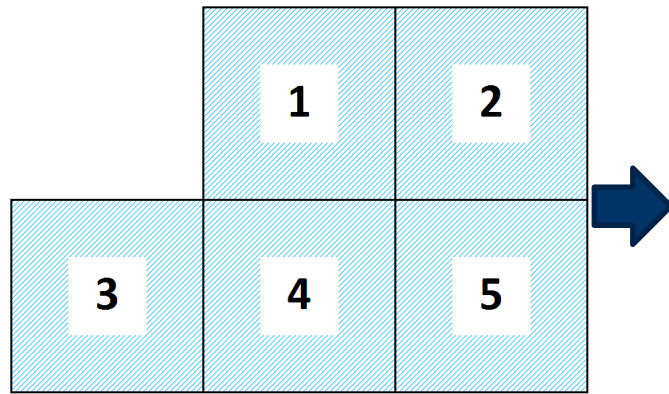
## DP1/DP2 Submission



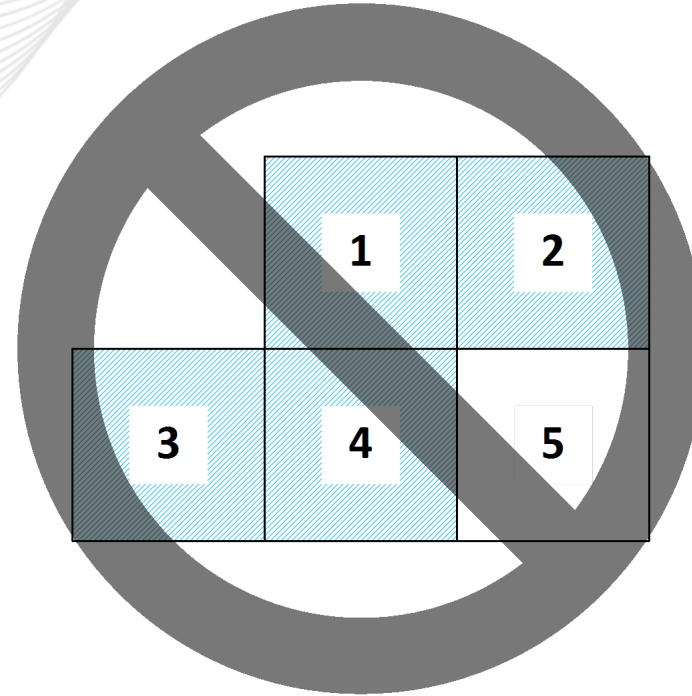
DP1/DP2 Submission – This submission would be accepted because the initial site proposed satisfies requirements for Site Control.

## DP1/DP2 Submission

### Application Submission



Application Submission – The blue represents entire submission of 5 100 acre parcels. 500 acres is required for a 100 MW solar project. This represents the initial parcels that must always meet tariff requirements for site size.



Not acceptable DP1/DP2 Submission – This submission would be rejected because the evidence of Site Control does not meet acreage requirements.

\*Assuming no PE stamped drawing supplied