

9.3 Coordinated System Planning.

The primary purpose of coordinated transmission planning and development of the Coordinated System Plan is to ensure that coordinated analyses are performed to identify expansions or enhancements to transmission system capability needed to maintain reliability, improve operational performance, or enhance the competitiveness of electricity markets. The Parties will conduct such coordinated planning as set forth in this Section 9.3 and subsections thereof.

9.3.1 Single Party Planning.

Each Party shall engage in such transmission planning activities, including expansion plans, system impact studies, and generator interconnection studies, as are necessary to fulfill its obligations under its OATT or as it otherwise shall deem appropriate. Such planning shall conform to applicable reliability requirements of NERC, applicable regional reliability councils, or any successor organizations, and any and all applicable requirements of federal, state, or provincial laws or regulatory authorities. Each Party agrees to prepare a regional transmission planning report that documents its annual regional plan prepared according to the procedures, methodologies, and business rules utilized in preparing and completing documented by the report region. The Parties further agree to share, on an ongoing basis, information that arises in the performance of such single party planning activities as is necessary or appropriate for effective coordination between the Parties, including, in addition to the information sharing requirements of Sections 9.2 and 9.3, the identification of proposed transmission system enhancements that may affect the Parties' respective systems.

9.3.2 Coordinated System Plan.

The Coordinated System Plan is the result of the coordination of the regional planning that is conducted under this protocol. The Parties will coordinate any studies required to assure the reliable, efficient, and effective operation of the transmission system. Results of such coordinated studies will be included in the Coordinated System Plan as further described in Section 9.3.5. The Coordinated System Plan shall have as input the results of ongoing analyses of requests for interconnection and ongoing analyses of requests for long-term firm transmission service. The Parties shall coordinate in the analyses of these ongoing service requests in accordance with Sections 9.3.3 and 9.3.4. The Coordinated System Plan shall be an integral part of the expansion plans of each Party. To the extent that the JRPC agrees to combine with or participate in similarly established joint planning committees amongst multiple planning entities engaging in coordinated planning studies as provided for under Section 9.1.1 (k), the ~~Coordinated System Plan~~coordinated planning analyses of this Protocol may be integrated into any ~~Joint Coordinated System Plan~~joint coordinated planning analyses engaged in by the multiple parties, provided that the requirements of the Coordinated System Plan are integrated into the scope of such ~~Joint Coordinated System Plan~~joint coordinated planning analyses.

9.3.3 Analysis of Interconnection Requests.

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In accordance with the procedures under which the Parties provide interconnection service, each Party will coordinate with the other the conduct of any studies required in determining the impact of a request for generator or merchant transmission interconnection. Results of such coordinated studies will be included in the impacts reported to the interconnection customers as appropriate. Coordination of studies and Network Upgrades The process for the coordination of studies and Network Upgrades shall be documented in the respective Party's manuals. Both Party's manual language shall be coordinated so as to ensure the communication of requirements is consistent and will include the following:

- ~~(a)~~ (a) Upon either ~~Consistent with the posting to data exchange provisions of the OASIS of a request manual,~~ the Parties will exchange current power flow modeling data annually and as necessary for the study and coordination of interconnection ~~or requests. This will include the associated update of the other Party's relevant queue requests, contingency elements, and monitoring elements data and other data as may be required.~~
- (b) Upon the review of study results related to ~~that~~ request(s) for interconnection, the Party receiving the request(s) ("direct connect system") will determine whether the other Party is potentially impacted. If the other Party is potentially impacted, the direct connect system will notify the other Party and convey the information provided in the posting along with applicable completed analysis results.
- ~~(bc)~~ Following the results of ~~either the Feasibility Study or the System Impact Study~~ appropriate regional study that determines system impacts, the direct connect system will notify the other Party if the study shows potential reliability concerns on the other Party's system. After reviewing the results, if the potentially impacted Party determines that its system may be materially impacted by the interconnection, that Party will contact the direct connect system and request participation in the applicable interconnection studies. The Parties will coordinate and mutually agree on the nature of studies to be performed to test the impacts of the interconnection on the potentially impacted Party, ~~who will perform the studies.~~ If the Parties cannot mutually agree on the nature of the studies to be performed they can resolve the differences through the dispute resolution procedures documented in Article XIV. The Parties will strive to minimize the costs associated with the coordinated study process.
- ~~(ed)~~ Any coordinated studies will be performed in accordance with the study scope and timeline mutually agreed to in 9.3.3 ~~(bc)~~ above utilizing the responsibility options outlined in 9.3.3 ~~(de)~~ below.
- ~~(e)~~ Thee) If the potentially impacted Party ~~may elects to~~ participate in the coordinated study ~~at the System Impact Study or Feasibility Study stage by providing~~ of the interconnection request(s), it will provide input and guidance to the studies to be performed by the direct connect system. If

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the constraints found require infrastructure additions to mitigate them, then the potentially impacted Party will perform its own Facilities Study ~~as part of the direct connect Party's Facilities Study. The study cost estimates indicated in the study agreement between the direct connect system and the interconnection customer will reflect the costs and the associated roles of the study participants including the potentially impacted Party. The direct connect system will review the cost estimates submitted by all participants for reasonableness, based on expected level of participation and responsibilities in the study in conjunction with the direct connect Party's Facilities Study. The customer whose project requires mitigation of constraint(s) found on an impacted Party's system shall enter into the appropriate Facilities Study agreement as required under the impacted Parties Open Access Transmission Tariff (OATT).~~

- (ef) The direct connect system will collect from the interconnection customer the costs incurred by the potentially impacted Party associated with the performance of such studies and forward collected amounts to the potentially impacted Party.
- (fg) If the results of the coordinated study process indicate that Network Upgrades are required in accordance with procedures, guidelines, criteria, or standards applicable to the potentially impacted system, the direct connect system will identify the need for such Network Upgrades in the ~~system impact~~appropriate study prepared for the interconnection customer.
- (gh) Requirements for construction of such Network Upgrades will be under the terms of the applicable OATT, agreement among owners of transmission facilities subject to the control of the potentially impacted Party and consistent with applicable federal, state or provincial regulatory policy.
- (hi) In the event that Network Upgrades are required on the potentially impacted Party's system, then interconnection service will commence on a schedule mutually agreed upon among the Parties. This schedule will include milestones with respect to the Network Upgrade construction and the amount of service that can commence after each milestone.
- ~~(i) In addition, thermal and reactive impacts associated with circulation and other phenomena that result from interconnection and impact the systems of both Parties will be evaluated in the evaluation of specific requests associated with delivery service and in the development of the Coordinated System Plan.~~
- (j) Each Party will maintain a separate interconnection queue. The JRPCParties will maintain a composite listing of interconnection requests

for all interconnection projects that have been identified as potentially impacting the systems of both Parties. ~~The JRPC will post this listing on the Internet site maintained for the communication of information related to the coordinated system planning process. The Internet site will contain links to the web sites of each Party where individual interconnection study results will be maintained. These lists will be presented periodically at the IPSAC.~~

9.3.4 Analysis of Long-Term Firm Transmission Service Requests.

In accordance with applicable procedures under which the Parties provide long-term firm transmission service, the Parties will coordinate the conduct of any studies required to determine the impact of a request for such service. Results of such coordinated studies will be included in the impacts reported to the transmission service customers as appropriate. Coordination of studies will include the following:

- (a) The Parties will coordinate the calculation of AFC values associated with the service, based on contingencies on the systems of each Party that may be impacted by the granting of the service.
- (b) Upon either the posting to the OASIS of a request for service or the review of studies related to the evaluation of that service request, the Party receiving the request will determine whether the other Party is potentially impacted. If the other Party is potentially impacted, the Party receiving the request will notify the other Party and convey the information provided in the posting.
- (c) If the potentially impacted Party determines that its system may be materially impacted by the service, and the nature of the service is such that a request on the potentially impacted Party's OASIS is unnecessary (i.e., the potentially impacted Party is "off the path"), then that Party will contact the Party receiving the request and request participation in the applicable transmission service studies. The Parties will coordinate with respect to the nature of studies to be performed to test the impacts of the requested service on the potentially impacted Party, who will perform the studies. The Parties will strive to minimize the costs associated with the coordinated study process. The JRPC will develop screening procedures to assist in the identification of service requests that may impact systems of parties other than the system receiving the request.
- (d) Any coordinated studies will be performed in accordance with the mutually agreed upon study scope and timeline requirements developed by the Parties. If the Parties cannot mutually agree on the nature and timeline of the studies to be performed they can resolve the differences through the dispute resolution procedures documented in Article XIV of this Agreement.

- (e) During the System Impact Study, the potentially impacted system may participate in the coordinated study either by providing input to the studies to be performed by the Party receiving the request. During the Facilities Study, the potentially impacted Party will conduct its own Facilities Study as a part of the Party receiving the request's Facilities Study. The study cost estimates indicated in the study agreement between the Party receiving the request and the transmission service customer will reflect the costs and the associated roles of the study participants. The Party receiving the request will review the cost estimates submitted by all participants for reasonableness, based on expected level of participation and responsibilities in the study.
- (f) The Party receiving the request will collect from the transmission service customer and forward to the potentially impacted system the costs incurred by the potentially impacted systems associated with the performance of such studies.
- (g) If the results of a coordinated study indicate that Network Upgrades are required in accordance with procedures, guidelines, criteria, or standards applicable to the potentially impacted system, the Party receiving the request will identify the need for such Network Upgrades in the system impact study prepared for the transmission service customer.
- (h) Requirements for the construction of such Network Upgrades will be under the terms of the OATTs, agreement among owners of transmission facilities subject to the control of the potentially impacted Party and consistent with applicable federal, state, or provincial regulatory policy.
- (i) In the event that Network Upgrades are required on the potentially impacted Party's system, then transmission service will commence on a schedule mutually agreed upon among the Parties. This schedule will include milestones with respect to the Network Upgrade construction and the amount of service that can commence after each milestone.

9.3.5 Development of the Coordinated System Plan.

9.3.5.1

Each Party agrees to assist in the preparation of a Coordinated System Plan applicable to the Parties' systems. Each Party's annual transmission planning reports will be incorporated into the Coordinated System Plan, however, neither Party shall have the right to veto any planning of the other Party nor shall either Party have the right, under this Section, to obtain financial compensation due to the impact of another Party's plans or additions. The Coordinated System Plan will be finalized only after the IPSAC has had an opportunity to review it and respond. The Coordinated System Plan shall:

- (a) Integrate the Parties' respective transmission expansion plans, including any market-based additions to system infrastructure (such as generation or merchant transmission projects) and Network Upgrades identified jointly by the Parties, together with alternatives to Network Upgrades that were considered.
- (b) Set forth actions to resolve any impacts that may result across the seams between the Parties' systems due to ~~such system additions or Network Upgrades;~~ the integration described in the preceding part (a); and
- (c) Describe results of the joint transmission analysis for the combined transmission systems, as well as explanations, as may be necessary, of the procedures, methodologies, and business rules utilized in preparing and completing the analysis.

9.3.5.2

Coordination of studies required for the development of the Coordinated System Plan will include the following steps:

~~(a) — Every three years, the Parties shall perform a comprehensive, coordinated regional transmission expansion planning study. — Sensitivity analyses will be performed, as required, during the off years based on a review by the JRPC and IPSAC of discrete reliability problems or operability issues that arise due to changing system conditions. — Ad hoc study groups may be formed as needed to address localized seams issues, or to perform targeted studies of particular areas, needs, or potential expansions and to ensure the coordinated reliability and efficiency of the systems. — Under the direction of the Parties, study groups will formalize how activities will be implemented, (e.g., a set number of meetings per year and/or develop a protocol for the exchange of studies, report queues, and other relevant information). — Projects needed to resolve transmission problems which have been identified by either RTO at any time during the three year planning cycle will be evaluated by the JRPC at least annually for purposes of testing against the Cross Border cost allocation criteria. — Transmission plans to resolve problems will be identified, included in the respective plans of the RTOs and will be presented to the respective RTO Boards for approval and implementation using each RTOs procedures for approval. — Critical upgrades for which the need to begin development is urgent will be presented to the RTO Boards for approval as soon as possible after identification through the coordinated planning process. — Other projects identified will be presented to the RTO Boards in the normal regional planning~~

~~process cycle as long as this cycle does not delay the implementation of a necessary upgrade. Each RTO reserves the right to identify required transmission upgrades to their Board for approval at any time.~~

- ~~(a) On an annual basis the Parties shall perform an annual evaluation of transmission issues identified by each Party including issues from the respective Party's market operations and annual planning processes, or Third-Parties. This annual review of transmission issues will be administrated by the JRPC on a mutually agreed to schedule taking into consideration each Party's regional planning cycles. The JRPC through each Party's respective electronic distribution lists shall provide advanced notice of the IPSAC meeting to review identified transmission issues. Stakeholder identified transmission issues and supporting analysis will be solicited in advance, for consideration by the IPSAC and JRPC.~~

~~Following the annual issues evaluation meeting with IPSAC the JRPC will determine, taking into consideration input provided by the IPSAC, the need to perform a Coordinated System Plan Study. The JRPC shall inform the IPSAC on the decision whether or not to initiate a Coordinated System Plan study.~~

~~The Coordinated System Plan study will consider the identified issues reviewed by the JRPC and IPSAC for further evaluation of potential remedies consistent with the criteria of this Protocol and each Party's criteria. Stakeholder input will be solicited for potential remedies to identified issues.~~

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- (b) Each Party will be responsible for providing the technical support required to complete the analysis for the study. The responsibility for the coordinated study and the compilation of the coordinated study report will alternate between the Parties.
- ~~(c) The JRPC will develop a scope and procedure for the inter regional planning assessment. The scope of the study will include evaluations~~
~~(c) When a Coordinated System Plan study is determined to be necessary pursuant to section 9.1.1.1, the JRPC will develop a scope and procedure for the coordinated planning analysis. The scope of the studies will include evaluations of issues resulting from the annual coordinated review and analysis of the Parties transmission issues. The scope may also include analysis to improve coordination of the Parties PJM and MISO respective approved regional transmission plans and regional planning~~

processes. The scope and schedule for the Coordinated System Plan study will include the schedule of IPSAC review and input at all stages of the study. Study scope and assumptions will be documented and provided to the IPSAC for review and comment.

- (d) The Parties will document the scope and assumptions including the process and schedule for the conduct of the study. The scope design will include, as appropriate, evaluation of the transmission system against the reliability criteria, operational performance criteria, and economic performance criteria applicable to each Party. Each Party will provide a baseline model that includes all transmission enhancements included in the party's regional transmission expansion plan, and all of the committed interconnection projects and any associated Network Upgrades.
- (de) The Parties will use planning models that are developed in accordance with the procedures to be established by the JRPC. Exchange of power flow models. The JRPC will be in a format that is acceptable to both Parties and will use a develop joint study models consistent bus numbering convention and bus naming convention to minimize work that is needed to merge detailed power flow with the models.
- (e) The study will initially evaluate the reliability of and assumptions used for the combined transmission systems. Any Network Upgrades required to resolve criteria violations will be agreed upon regional planning cycle most recently completed. The Parties will develop compromises on assumptions when feasible and will incorporate study sensitivities as appropriate when different regional assumptions must be accommodated. Known updates and included in an updated baseline revisions to this model.
- (f) The performance of the combined transmission systems will be incorporated in a comprehensive fashion when new base planning models are available. Prior to the availability of a new comprehensive base model, known updates will be tested against agreed upon operational factored in, as necessary, into the review of results. Models will be available for stakeholder review subject to Confidentiality and economic criteria, where applicable, using the updated baseline model. Network Upgrades required Critical Energy Infrastructure Information (CEII) processes of the Parties. The IPSAC will have the opportunity to provide feedback to resolve operational and/or economic performance criteria violations the JRPC regarding the study models.

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- ~~(f) The IPSAC will have the opportunity to provide input to development of potential solutions. The JRPC will be responsible for the screening and evaluation of potential solutions.~~
- ~~(g) Transmission upgrades identified through the analyses conducted according to this Protocol and satisfying the applicable Protocol and regional planning requirements will be included in the Coordinated System Plan.~~
- ~~(g) Economic criteria applicable to either Party will be developed and filed by that Party with input from its stakeholders.(h) Ad hoc study groups may be formed as needed to address localized seams issues, or to perform targeted studies of particular areas, needs, or potential expansions and to ensure the coordinated reliability and efficiency of the systems. Under the direction of the Parties, study groups will formalize how activities will be implemented~~