

# **Consumer Advocates Seek Comprehensive Long-term Regional Transmission Planning**

PIEOUG Meeting  
March 8, 2024  
Greg Poulos

# PJM Proposed Long-Term Planning “Stakeholder” Engagement

- } Long-Term Regional Transmission Planning Workshops – five workshops over five months (Starting on July 21, 2023 and ended on December 15, 2023)
- } PJM focused stakeholder discussions and input upon ....
  - Goal #1: Analyze Long-term Scenarios to identify transmission needs driven by the changing resource mix and load growth.
  - Goal #2: Implement reliable, efficient and proactive transmission solutions.
  - Long-Term Planning Action: Identify and implement long-lead transmission solutions
  - Near-Term Planning Action: Better inform near-term planning processes through robust transmission solutions.\*
- } Stakeholders were clearly engaged in the opportunities provided.

\*PJM Long-Term Regional Transmission Planning Workshop, Item 6: Long-Term Regional Transmission Planning (LTRTP) Update, July 21, 2023, page 4, *Goals and Actions*



# As PJM Workshops wrapped up, consumers provided the following critique:

A Long-Term Regional Process Must:

- } Be focused on reliable, cost-effective solutions for customers.
- } Be focused on proactive planning for plant retirements. (The process around the possible retirement of the Brandon Shores facility has proven to be extremely frustrating for consumers.)
- } Maintain the current cost/causation principles.
- } **Be comprehensive**, or at the very least the process must clearly identify the shortcomings and the impact of those shortcomings. (A LTRTP that addresses only 1/3 of the projects/costs in the regions raises a host of concerns – which may undermine the entire effort.) ***PJM's process appears to miss the mark on this front.***
- } Be transparent for all. PJM's role and objectives must be clear.
- } Be inclusive and allow for meaningful participation of all parties. ***There has been growing frustration by customers with PJM's planning processes in general. (See appendices)\*removed***
- } Provide a clear process that follows clear, open guidelines (recognizing that PJM is not a regulatory agency but acting like a quasi-regulator at times.) ***There has been growing frustration by customers with PJM's planning processes in general. (See appendices)\*removed***

PJM Long-Term Regional Transmission Planning Workshop, Informational only:  
:Consumer Advocates of PJM States Feedback on PJM LTRTP Process, December 15,  
2023. page 3. See appendix for the entire presentation.

# Where we are today:

- } At the conclusion of the LTRTP workshops, PJM stated the next steps were to propose a set of manual revisions that would “follow the normal stakeholder process”\*
- } PJM initiated a “Quick Fix” stakeholder process that has received a lot of pushback for implementing a rushed/advisory opinion only stakeholder process. The process has been focused on driving to a conclusion at a breakneck speed despite six meetings in the first three months of 2024!
- } On February 6, 2024, a number of transmission owners provided notice of proposed changes to the Consolidated Transmission Owner Agreement between PJM and the Transmission Owners in the PJM region. A few concerns:
  - The transmission owners made a conscious decision to avoid stakeholder engagement/input in the development of the changes. Thus, our ability to evaluate the proposal is severely compromised.
  - PJM’s decision to participate in the closed-door discussions is disappointing. It will be interesting to see how stakeholders react if PJM participated in, and endorses, this type of clandestine effort.
  - The transmission owners cite a number of benefits for customers and states in their presentations. (While the recognition of benefits for consumers is appreciated, it is not lost on the consumer advocates of the region that these benefits must first be viewed through the lens of investor-owned entities.)

\*PJM Long-Term Regional Transmission Planning Workshop, Item 3: Long-Term Regional Transmission Planning (LTRTP) Manual Revisions and Next Steps, December 15, 2023.

# Contact Information

Greg Poulos,  
Executive Director, CAPS

Phone: 614-507-7377

E-mail: [poulos@pjm-advocates.org](mailto:poulos@pjm-advocates.org)

# **PJM Long-Term Regional Transmission Planning from a Consumer Perspective**

**November 9, 2023**

**Greg Poulos**



# A Long-Term Regional Planning Process

- } Consumers appreciate the initiative - greater efforts on this front are needed!
- } Consumers appreciate PJM's efforts to further develop the planning process.
- } The five focal points seems appropriate:
  - Advocates are always looking for more scenario + cost impact analysis. (It needs to happen in the capacity and energy markets as well.)
  - Resource mix assumptions will be helpful, yet, scrutinized since the capacity market and energy market are in flux for the foreseeable future and the three-year forward capacity design cannot be counted upon.
- } Consumers see a greater need for more planning now more than ever with the level of uncertainty created by the energy transition, the forecasted fossil fuel retirements and uncertainty in virtually all of PJM market constructs.



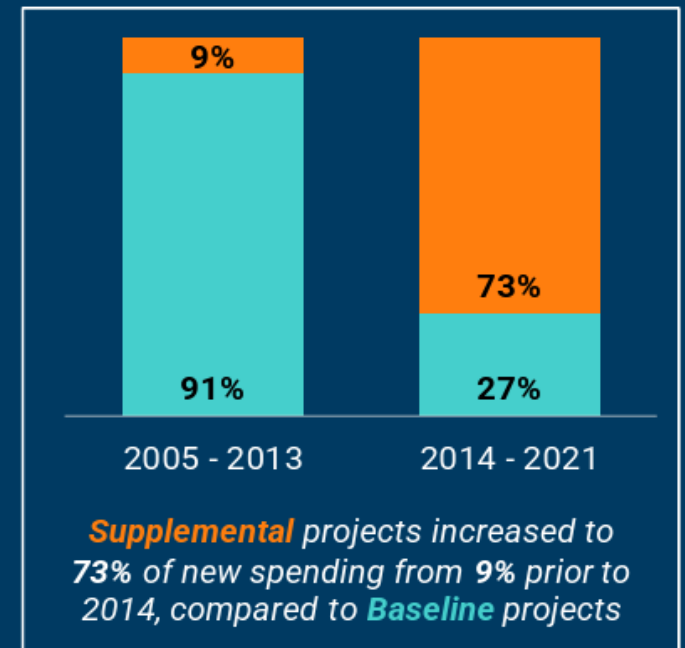
# A Long-Term Regional Process Must:

- } Be focused on reliable, cost-effective solutions for customers.
- } Be focused on proactive planning for plant retirements. (The process around the possible retirement of the Brandon Shores facility has proven to be extremely frustrating for consumers.)
- } Maintain the current cost/causation principles.
- } Be comprehensive, or at the very least the process must clearly identify the shortcomings and the impact of those shortcomings. (A LTRTP that addresses only 1/3 of the projects/costs in the regions raises a host of concerns – which may undermine the entire effort.) ***PJM's process appears to miss the mark on this front.***
- } Be transparent for all. PJM's role and objectives must be clear.
- } Be inclusive and allow for meaningful participation of all parties. ***There has been growing frustration by customers with PJM's planning processes in general. (See appendices)\*removed***
- } Provide a clear process that follows clear, open guidelines (recognizing that PJM is not a regulatory agency but acting like a quasi-regulator at times.) ***There has been growing frustration by customers with PJM's planning processes in general. (See appendices)\*removed***

# How can Long-Term REGIONAL Planning be effective while ignoring the vast majority of planned projects/costs?

## Today, transmission planning in PJM is focused on smaller, short-term projects

- PJM’s annual Regional Transmission Expansion Plan (RTEP) considers only short-term changes to the generation mix:
  - **Announced plant deactivations** (90+ days in advance)
  - New generators past **Facilities Study Stage** in queue
- Most transmission projects are short lead time reliability and Supplemental projects
- Very limited interregional planning
- PJM is beginning to reform its planning practices
  - Proposed **scenario planning** in 2022
  - Launched **Long-Term Regional Transmission Planning (LTRTP)** in mid-2023



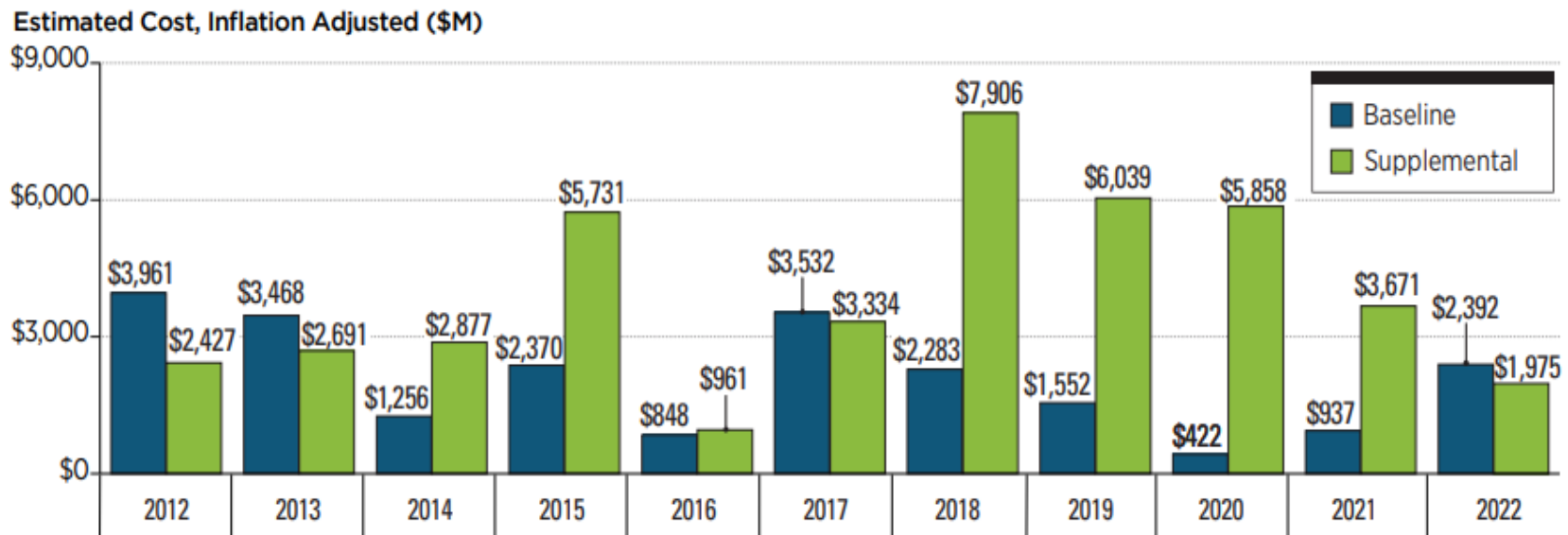
# PJM Transmission Costs Breakdown

#1 Almost \$8 billion was spent on PJM “baseline projects” by transmission owners from 2018 – 2022.

#2 Over \$25 billion was spent by transmission owners during that same period on supplemental projects. It is our estimate that over 50% of supplemental projects do not receive regulatory review during the planning process (e.g. planning costs) by PJM, state or federal regulators. \*PJM does ensure these projects do not harm the PJM system.

**#3. PJM is only actively planning approximately one-third of the regional transmission grid.**

Figure 5.2: Baseline and Supplemental Projects by Year



\*Slide presented by Greg Poulos during the October 11 PJM PIEOUG meeting.