

# Request for Amendment to PJM Transition Proposal

## **PJM Interconnection Customers Coalition**

**Supported by:** Scout Clean Energy, Tri Global Energy, Hecate Energy, Leeward Renewable Energy, D. E. Shaw Renewable Investments, Northern Virginia Electric Cooperative, Competitive Power Ventures, BQ Energy, Copenhagen Infrastructure Partners, Acciona, ConnectGen

4/6/2022

# Objectives & Background

- Unlock additional viable generation resources within the context of PJM's Fast Lane without delaying or otherwise harming other Fast Lane entrants
- Reduce speculation by enhancing readiness milestones
- Minimize impact to the overall process, while at the same time enabling later-stage projects that have made significant financial investments, local community commitments, and power off-take arrangements to achieve commercialization
- Enable expeditious processing of interconnection requests by utilizing the large percentage of AE1-AG1 original facility studies that will have been completed by the transition date
- Allow ICs to remain in the Fast Lane that otherwise would be kicked out due to speculative generation and transmission projects that are causing sizeable overloads ahead of them
- Stakeholders of ten companies, representing over 18,000 MW of generation interconnection requests sponsored this amendment

# Proposed Amendment

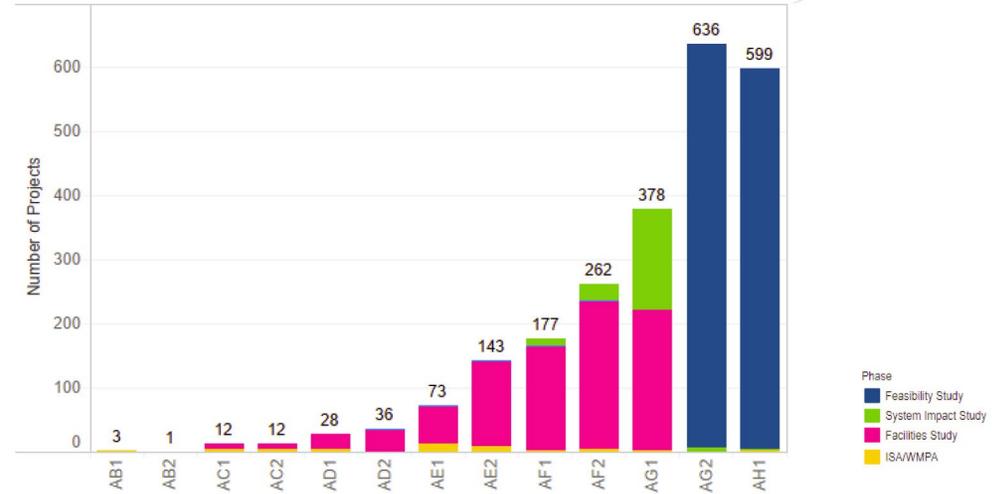
Adopt PJM Transition Proposal with the following amendment:

- A. Add an incremental readiness milestone to the 60-day readiness window that requires projects which are first to cause a network upgrade or have cost allocation eligibility to a network upgrade for load flow and short circuit violations that is **more than \$5M** to post financial security at risk (“Initial Security”), covering their portion of the cost allocation.
  - Cost allocations predicated on most recent retool results (ongoing), pre-tariff adoption
  - Continue to follow existing cost allocation rules for upgrades less than \$5M for AE1-AG1
  - Continue to follow existing cost allocation rules for upgrades greater than \$5M for AE1-AG1
- B. Add a financial security true-up mechanism (“True-up Security”) following the post-readiness retool as PJM “*works projects*” in the fast lane.
  - True-ups to occur within an abbreviated window of a few weeks
  - If a project’s cost allocation increases by less than or equal to 25%, the project is required to increase its security in kind or forfeit 100% of its security and be withdrawn from the fast-lane
  - If a project’s cost allocation decreases, the project will be refunded its security in kind

# Schedule

No change in schedule should be required since we are leveraging the current retool results to determine the readiness milestone security ("Initial Security") and most projects in the transition should have a draft Facility Study by the Transition Date.

Queue	Transmission Owner Zones			
	AEP, Dayton, DEOK, Duquesne and EKPC	ACE, BGE, DPL, PECO, PPL, and PSE&G	Dominion and FirstEnergy	ComEd
AD1/AD2	Complete	Complete	Complete	May
AE1/AE2	June	Complete	Dom - April FE - May	June
AF1/AF2	July	July	July	July
AG1	October	October	October	October



Initial Security

True-up Security

