



October 27, 2021

The PJM Board of Managers
c/o Mr. Mark Takahashi, Chairman
c/o Mr. Manu Asthana, PJM President and CEO PJM Interconnection L.L.C.
2750 Monroe Boulevard
Audubon, PA 19403

Dear Mr. Takahashi and Mr. Asthana:

Dominion Energy, Inc. is accelerating its clean energy transformation, as we have committed across the company to achieve net zero carbon and methane emissions by 2050. The Commonwealth of Virginia has also enacted the Virginia Clean Economy Act (VCEA), which requires Dominion Energy Virginia to achieve a similar goal by 2045. Among other requirements, it directs us in Virginia that we petition to the Virginia State Corporation Commission to build or procure 16,100 MW of solar, 5,200 MW of offshore wind, and 2,700 MW of energy storage capacity by 2036. For solar, this means *annually placing in service 1 GW* between now and 2036.

We recognize and commend the PJM Interconnection Process Reform Task Force (IPRTF) for addressing the significant challenges and backlog to the existing interconnection planning process for new Interconnection Customers (ICs), and we support the proposed cluster process. However, for Dominion Energy Virginia to be successful in meeting its goals stated above, the transition to the cluster process must minimize interruptions to signing interconnection service agreements (ISAs). The four proposed transition options provided by PJM Interconnection, as well as those proposed by others, are unacceptable to Dominion Energy Virginia as currently drafted, as each creates in some cases, up to a three-year gap or interruption in time whereby almost no ISAs would be executed. This would result in a material impact on our ability to deliver the required clean energy projects to our customers on an annual basis as required by state law. PJM Interconnection's proposed Option 4 would be acceptable to Dominion Energy Virginia, if two proposed changes were implemented in this transition and one existing feature is preserved in the legacy queue process, to avoid a gap or interruption in time in executing ISAs with ICs:

1. Until the new process is initiated, and the first cluster group is opened for applications, interconnection queue applications received before then should continue to be received, reviewed, and evaluated through the current serial study process to the end, allowing ICs to ultimately sign ISAs.
2. For the backlog of generation projects in AG2, AH1, AH2 and possibly AI1 (queue study groups opened prior to PJM's implementation of the new cluster study process), shorten the process by skipping the feasibility study (for those projects interconnecting at transmission) and proceeding directly to the system impact study, if they have not started for that group. In our view, the feasibility study offers little value to ICs in determining whether their generation project has any significant network upgrades or schedule challenges. PJM, in its application to the FERC, should seek approval to bypass the feasibility study step for those queue groups that have a backlog and remain in the serial study process, thereby reducing the time to completely transition to the cluster study



process.

3. While not a modification to the existing serial study queue process, we request that generation projects that have received their system impact study continue to be afforded the opportunity to proceed with interim ISAs at any time, without the risk of those signed interim ISAs subsequently being nullified or retracted because of the new cluster process. Preservation of the interim ISA option for projects that continue in the legacy serial queue process is important to our company in the optimization of risk and meeting our accelerated delivery of clean energy projects.

Without enhancing Option 4 with these recommended changes, there could be a 1 to 2 year period where no ISAs are executed, which is unacceptable to Dominion Energy Virginia. We would be at high risk of not meeting our state and company goals.

Our day-to-day mission is to deliver clean, reliable, affordable energy, and we are committed to working with PJM Interconnection toward meeting those goals. We look forward to our continued partnership. If you have any questions about what we are proposing here, please contact Jim Davis at james.g.davis@dominionenergy.com or at (804) 819-2718.

Sincerely,

A handwritten signature in black ink that reads "Edward H. Baine".

Edward H. Baine
President
Dominion Energy Virginia

Cc:

PJM Interconnection Process Reform Task Force
PJM Planning Committee