



Initial Review and Screening 2021 RTEP Proposal Window 1 - Cluster No. 9

November 2, 2021

For Public Use

This page is intentionally left blank.

2021 RTEP Proposal Window No. 1 - Cluster No. 9

As part of its 2021 RTEP process cycle of studies, PJM identified clustered groups of flowgates that were put forward for proposals as part of 2021 RTEP Window No. 1. Specifically, Cluster No. 9 - discussed in this Initial Review and Screening report - includes those flowgates listed in **Table 1**.

Table 1. 2021 RTEP Proposal Window No. 1 – Cluster No. 9 List of Flowgates

| Flowgate | kV Level | Driver |
|--|----------|---------|
| AEP -T15, AEP -T16, AEP -T17, AEP -T18, AEP -T19, AEP -T20, AEP -T21, AEP -T22, AEP -T23, AEP -T24, AEP -T25, AEP -T26, AEP -T27, AEP -T28, AEP -T47, AEP -T48, AEP -T49, AEP -T50, AEP -T51, AEP -T52, AEP -T53, AEP -T54, AEP -T55, AEP -T56, AEP -T57, AEP -T58, AEP -T73, AEP -T74, AEP -T75, AEP -T76 | 69 | Thermal |

Proposals Submitted to PJM

PJM conducted 2021 RTEP Proposal Window No. 1 for 60 days beginning July 2, 2021 and closing August 31, 2021. During the window, several entities submitted three proposals through PJM’s Competitive Planner Tool. The proposals are summarized in **Table 2**. Publicly available redacted versions of the proposals can be found on PJM’s web site: <https://www.pjm.com/planning/competitive-planning-process/redacted-proposals.aspx>.

Table 2. 2021 RTEP Proposal Window No. 1– Cluster No.9 List of Proposals

| Proposal ID# | Project Type | Project Description | Total Construction Cost M\$ | Cost Capping Provisions (Y/N) |
|--------------|--------------|---|--|-------------------------------|
| 202 | Upgrade | Delphos Area Line Rebuilds | 8.871 | N |
| 786 | Upgrade | Haviland Sectionalizing Addition (Plus convert s2389 to baseline) | 1.309 (plus \$65.36M for s2389 conversion) | N |
| 503 | Greenfield | LS Rockford - LS West Van Wert 69kV Transmission Project | 14.415 | Y |

Initial Review and Screening

PJM has completed an initial review and screening of the proposals listed in **Table 2** above based on data and information provided by the project sponsors as part of their submitted proposals. This review and screening included the following preliminary analytical quality assessment:

- *Initial Performance Review* – PJM evaluated whether or not the project proposal solved the required reliability criteria violation drivers posted as part of the open solicitation process.
- *Initial Planning Level Cost Review* – PJM reviewed the estimated project cost submitted by the project sponsor and any relevant cost containment mechanisms submitted as well.
- *Initial Feasibility Review* – PJM reviewed the overall proposed implementation plan to determine if the project, as proposed, can feasibly be constructed.
- *Additional Benefits Review* – PJM reviewed information provided by the proposing entity to determine if the project, as proposed, provides additional benefits such as the elimination of other needs on the system

Initial performance reviews yielded the following results:

1. Proposal 202 and Proposal 786 solve all the flowgates listed in table 1, while Proposal 503 doesn't solve the flowgates AEP -T47, AEP -T49, AEP -T55, AEP -T56, AEP -T57
2. No creation of additional reliability criteria violations from Proposal 202 and Proposal 786

Initial cost reviews show a cost commitment provision was included in Proposal No. 503 offering, in summary, a cap on capital costs; Proposal Nos. 202 and 786 did not contain cost commitment provisions.

Proposal No. 786 also requires DP&L project s2398.1-.7 to be converted to baseline and in service prior to 6/1/2026 in order to alleviate all flowgates identified. Supplemental Upgrade s2398.1-.7 was included in Dayton's submission of Supplemental Upgrades to be included in the 2021 Local Plan at a total cost of \$65.35M.

PJM also notes that Proposal No. 503 incorporates greenfield construction which may impact the ability to timely complete the project. A high level review of the plans identified in the proposals does not reveal any concerns at this stage of review.

Additional Benefits

In order to ensure that PJM develops more efficient or cost effective transmission solutions to identified regional needs, RTEP Process consideration must be given to the additional benefits a proposal window-submitted project may provide beyond those required to solve identified reliability criteria violations. As discussed in Section 1.1 and Section 1.4.2 of PJM manual 14B, Transmission Owner Attachment M-3 needs and projects must be reviewed to determine any overlap with solutions proposed to solve the violations identified as part of opening an RTEP proposal window.

A review of these overlaps as part of PJM's 2021 Window No. 1 screening has identified potential benefits beyond solving identified reliability criteria violations. Based on the information provided by the sponsor, proposal No. 202 will address needs associated with aging infrastructure following a review of the information provided by the sponsor of the proposal; and part of the proposal No. 786 involves a conversion of an existing supplemental project s2398.1- .7.

Proposal 202

- One mile of the 5.26 mile North Delphos – South Delphos 69kV line asset consists of 22 wood pole structures, originally installed in 1943 primarily with 2/0 COPPER 7 (20COP) conductor. The line asset is part of two circuits: North Delphos – Van Wert 69kV and North Delphos-West Moulton 69kV circuits. There are currently 7 open conditions specifically affecting the 1 mile section of the line.
- The Delphos Junction – East Delphos 69kV Line asset is 2.29 miles long and consists of wood pole structures, originally installed in 1939 primarily with 2/0 COPPER 7 (2/0COP) conductor. There are 40 structures with at least one open condition, which relates to 74% of the structures on the line. There are 36 open conditions related to broken or missing ground lead wires which could lead to the poor lightning performance. There are currently 9 structure related open conditions specifically affecting the Knee/Vee Brace (broken/rot).

Proposal 786

- The conversion of s2398.1 - .7 will address the M-3 need Dayton-2020-008

Initial Review Conclusions and next steps

Given the possible additional benefits associated with proposal No. 202 that indicate it will address these aging infrastructure concerns, Proposal No. 202 warrants consideration. PJM understands that the aging infrastructure issues identified, which would be resolved through proposal 202, would not be resolved by either proposal 503 or proposal 786, leaving the RTEP exposed to increased costs as then the scopes of work for both proposals would need to be pursued and costs for both scopes of work would be incurred. Additionally, considering that Proposal No. 503 does not solve all reliability violations, and Proposal No. 786 has significantly greater costs as compared to Proposal No. 202, PJM believes Proposal No. 202 is the correct project to continue to evaluate. PJM will conduct a final review with stakeholders for proposal No. 202 and make a final determination as which project to recommend for PJM Board approval.