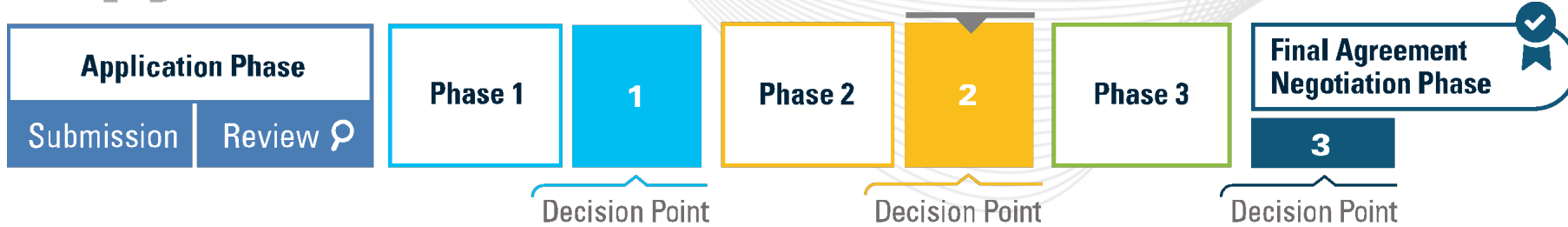


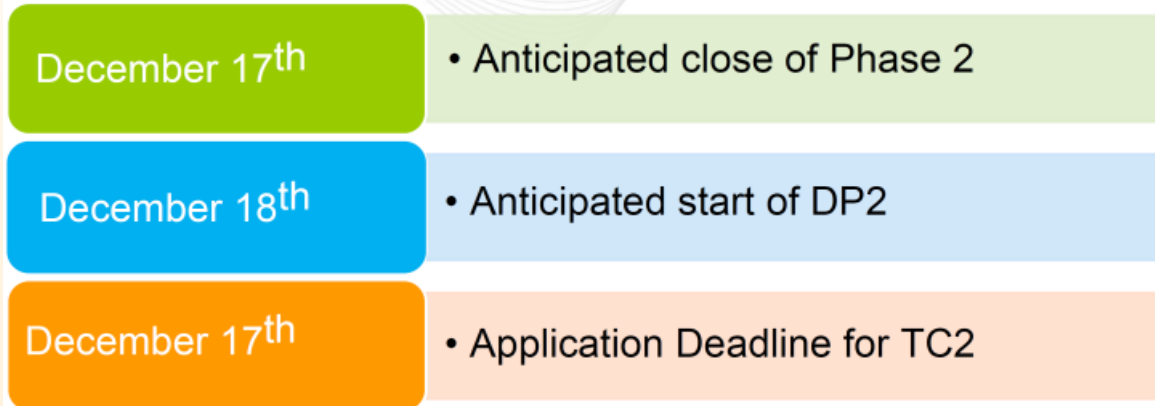
Decision Point II Reminders

November 2024 IPS

Megha Tiwari, Sr. Engineer,
Interconnection Projects



- Notification with an estimated start date for Decision Point II was sent on November 18, 2024.
- Notification with an application deadline for Transition Cycle 2 was sent on November 13, 2024.
- Notification of Eligibility to Accelerate at Decision Point II along with the detailed instructions was sent to the eligible projects on November 18, 2024.



- For a complete list of Decision Point II requirements please refer to:
 - TC1– Tariff, Part VII, Subpart D, section 311
 - PJM Manual 14H: Section 4.6
 - Decision Point II requirements presentation from October IPS meeting
- Readiness Deposit #3 amount will be listed in the Phase II SIS report. If providing Letter of Credit, **please provide it by at least 10 Business Days prior to closing of Decision Point II.**
- If modifying equipment and associated queue point data, submit the updated data as per PJM Dynamic Modeling Guidelines Rev 1.1.

- No Evidentiary Site Control Requirements unless adding parcels to the original site. If modifying the initial site, please provide the following:
 - Site Control evidence for both initial site and the proposed site at DP2. Site Control evidence must meet all criteria in **Tariff Part VII, Section 302**
 - The initial Site and the proposed Site are adjacent parcels. If added site is not adjacent, provide the easements between the parcels.
 - The project is required to maintain and control at least the minimum acres/MW from the application submission. Refer to September 2024 IPS presentation on Site Control requirements.
 - Officer Certification template for Site Control modifications will be available on pjm.com.

- Site Control Review spreadsheet can be accessed via [link in QueuePoint banner](#)

Important Transition Information

The **PJM Site Control Review spreadsheet** must be submitted during the Application Phase, Decision Point 1, and Decision Point 3.

Projects in the AE1 through AG1 Queues in Transition Cycle #1:
Projects in Transition Cycle #1 must submit the required Site Control evidence and [PJM Site Control Review Spreadsheet](#). Both the "Document Details" AND "Decision Point 1" tab must be completed in the site control review spreadsheet during Decision Point 1.

Projects in the AG2 and AH1 Queues:
These projects will need to reapply under the new requirements to be part of Transition Cycle #2. The Application Deadline will be announced at the conclusion of Transition Cycle #1, Decision Point #1.

Projects in the AH2 and Later Queues:
These projects will need to reapply under the new requirements to be part of New Cycle #1. The Application Deadline will be announced at the conclusion of Transition Cycle #2, Decision Point #1.

For more information on status, transition requirements and timing, please refer to the [Interconnection Process Reform FAQ page](#).
Additionally, please be sure to stay up-to-date with the Interconnection Process Subcommittee where additional announcements and status will be provided.

Legacy Attachments	New Service Requests	Existing Requests	Existing Service Requests							
Queue	Project Name	Reference Number	Phase	Transition Cycle	Transition Stage	Status	Project Manager	Submitted	Last Updated By	Actions
				Transition Cycle ✓	Transition Stage ✓	Submission Status ✓				

- For Decision Point 2, Transition Cycle #1 projects must complete the "Document Details" and "Decision Point 2" tabs

Instructions	Cover Letter	Document Details	Application Review Phase	Decision Point 1	Decision Point 2	Decision Point 3	Reference Material
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Presenter:

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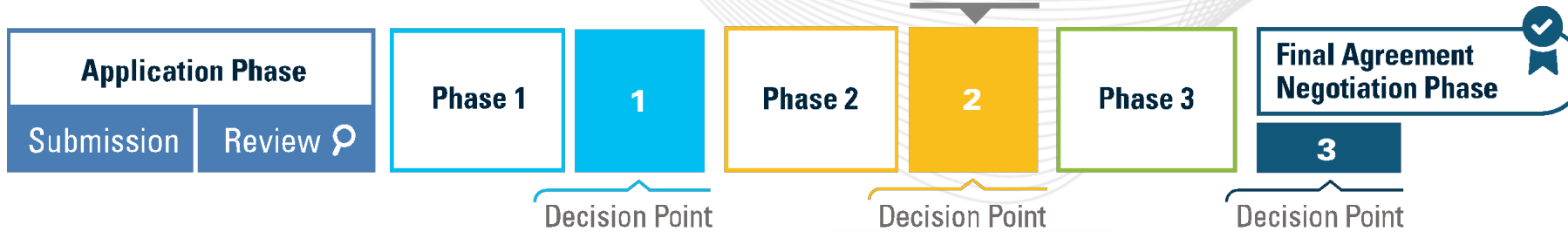
Appendix



Decision Point II Requirements

October 2024 IPS

Megha Tiwari, Sr. Engineer,
Interconnection Projects



- During Phase II, and at least 30 days prior to initiating Decision Point II of the Cycle, PJM will notify ProjectDeveloper of an estimated start date for Decision Point II
- Also during Phase II, PJM will notify the Project Developer if their project is eligible for acceleration at Decision Point II
- Decision Point II starts right after the conclusion of Phase II and closes 30 calendar days later
- Before the close of Decision Point II, Project Developer can choose to stay in the cycle by providing and meeting DP#2 requirements. Those that do not meet the requirements or elect to withdrawn will have their New Service Request terminated and withdrawn
- At Decision Point II, Projects that meet the acceleration criteria and off ramp requirements will proceed to Final Agreement Negotiation Phase
- At Decision Point II, Project Developers can make certain modifications to their Projects

SUBMITTALS REQUIRED

- **Readiness Deposit No. 3**

20% of the cost allocation for the Network Upgrade from Phase II study results *minus* (RD#1+RD#2)

Note: Network Upgrade includes reliability driven network upgrades plus Physical Interconnection i.e. Stand Alone Network Upgrade, and remote end work(Transmission Owner Interconnection Facilities are not part of the Readiness Deposit calculation)

- Readiness Deposit No. 3 must be provided through a letter of credit or a wire transfer
- Draft letter of credit must be received for review by PJM **at least 10 Business Days** prior to closing of Decision Point II
- LoC and wire must specify the corresponding reference number or PJM will not review or process the application. For TC1, it is the Project Identifier (Queue) number

- **Notification in Writing To Exercise the Option To Build for Stand-Alone Network Upgrades**

- **No Evidentiary Site Control Requirements unless adding parcels to the original site**

- **Permits**

- Evidence of air and water permit (if applicable)

- **State Level** (non-FERC jurisdictional)

- Evidence of participation in state interconnection process with appropriate entity

- **Data Submissions for Phase III System Impact Study**

- **Evidence of executed Affected System Study Agreement** (if required) before the close the Decision Point II

- RTO/ISO have their own internal processes and timelines for performing affected system studies. In order to receive the affected system study results in a timely fashion, it is recommended that Project Developer review the Affected System Operator's tariff and contact them as soon as possible to initiate the process. Please reach out to your PJM project manager for contact information.
- Failure to comply will result in withdrawal from the Cycle

MFO/CIR

Projects may reduce MFO and or CIR values, up to 10% of the values studied in Phase II.

POI

POI changes NOT permitted.

Fuel Changes

No modification permitted, except for projects that involve multiple fuel types; removal of fuel type through these reduction rules will not constitute a fuel type change.

Generating Facility or Merchant Facility Site Changes

Project Developer may specify a change to the project Site at Decision Point II.

Site Control evidence is required demonstrating that:

1. Project satisfies the Site Control requirements for both initial site proposed and the newly proposed site; and
2. Initial and the proposed new site are adjacent parcels
 - *If added site is not physically adjacent, Tariff requirement of the “proposed site are adjacent parcels” can be met via showing 100% of the easement between the parcels*

Note: PJM requires the project to control at least the minimum acres/MW from this application submission through GIA from this initial set. This ensures the tariff requirement for “Identical to the Site Control evidence submitted in the Application Phase” is met.

Equipment Changes

Projects are limited to modifying its New Service Request to permissible technological advancement changes only (technological advancement to turbines, inverters, plant supervisory control).

Project shall submit machine modeling data as per PJM Manuals and Dynamic Modeling Guidelines Revision 1.1 (Includes Example Dynamic Model Report)



Decision Point II – Acceleration

Only Requests that have no cost allocation for Network Upgrades and do not require further studies are eligible for acceleration.

SUBMITTAL REQUIRED

FERC Jurisdictional Projects/Non-FERC Jurisdictional Projects

- **Written Notification To Proceed to a Final Agreement**

- **Security**

- Calculated based upon Network Upgrades costs allocated pursuant to the Phase II System Impact Study results

- **Agreements and Permits**

- Fuel and water agreement (if necessary) and control ROW for the interconnections
- Local, county and state
- Signed MOU

- **Non-FERC Jurisdictional Projects**

- Evidence of a fully executed State Level Interconnection Agreement with the applicable entity

Note: Non-FERC jurisdictional projects that do not have fully executed state level agreement will remain in the cycle and must provide all elements before the close of Decision Point III. Site Control required to be maintained for a term beginning from the last day of the Phase II that extends through full execution of a state level agreement + one-year beyond the full execution of a state level agreement

- **Site Control**

- 100% Site Control evidence for Generating Facility, Interconnection Facility and Interconnection Switchyard for an additional **one-year term** from the last day of Phase II:
 - **Generating Facility:** Site Control shall continue to cover 100% of the Generating Facility, including the locations of the high-voltage side of the Generating Facility's main power transformer(s). Such Site Control evidence shall be identical to the Site Control evidence submitted at the Transition.
 - **Interconnection Facilities** (to the Point of Interconnection): Site Control shall cover 100% linear distance for Interconnection Facilities.
 - **Interconnection Switchyard:** Site Control shall cover 100% of the acreage required for the switchyard.

Note*: Exceptions for Site Control and Permits/Agreements

- *If Site Control requirements are not met, then Project Developer must provide evidence of Site Control Negotiations with appropriate entity to PJM. If evidence is acceptable to PJM, then PJM will add 180-day condition in the interconnection-related service agreement. All Site Control requirements must be met within 180 days from the agreement execution date.*
- *If fuel and water agreements, MOU, and permits requirements are not met, they can be addressed though a milestone in the applicable interconnection-related service agreement*

DEFICIENCY REVIEW PHASE

- PJM will exercise Reasonable Efforts to inform Project Developer or Eligible Customer of deficiencies within **10 Business Days** after the close of Decision Point II.
- Project Developer or Eligible Customer then has **five Business Days** to respond to PJM’s deficiency determination.
- PJM then will exercise Reasonable Efforts to review Project Developer’s or Eligible Customer’s response within **10 Business Days**, and then will either terminate and withdraw the New Service Request, or include the New Service Request in Phase III, or proceed to a final interconnection-related agreement for accelerated projects that meet the criteria.
- PJM’s review of the above required elements may run co-extensively with Phase III.

Begins after all elements have been submitted for accelerated and non-accelerated projects

PROJECT WITHDRAWAL

- Projects get withdrawn from the Cycle.
- PJM initiates the refund process for readiness and Study Deposits.

READINESS AND STUDY DEPOSIT REFUND

- Readiness Deposit No. 1 is 100% at risk
- Readiness Deposit No. 2 is 100 % at risk after the conclusion of deficiency review for Decision Point II
- Readiness Deposit No. 3 is 100% at risk after the conclusion of deficiency review for Decision Point II
- Adverse Study Impact:
 - Cumulative Readiness Deposit amounts paid at the Applications Phase (RD1) and at the Decision Point I (RD2) are refundable if the network upgrade cost from Phase I to Phase II:
 - i. increases overall by 25 percent or more; and
 - ii. increases by more than \$10,000 per MW
- At the conclusion of Decision Point II, PJM will initiate the Study deposit refund process.
 - 90% of the Study Deposit will be refunded, less any actual costs

Decision Point II:

- **TC1– Tariff, Part VII, Subpart D, section 311**
- **PJM Manual 14H: Section 4.6**

Site Control:

- **TC1– Tariff, Part VII, Subpart A, section 302**
- **PJM Manual 14H: Section 7**

Study Deposits and Readiness Deposits:

- **TC1: Tariff, Part VII, Subpart A, section 301**
- **PJM Manual 14H: Section 6**