

ALSTON & BIRD

The Atlantic Building
950 F Street, NW
Washington, DC 20004-1404
202-239-3300 | Fax: 202-239-3333

Kenneth G. Jaffe

Direct Dial: 202-239-3154

Email: kenneth.jaffe@alston.com

March 19, 2018

Ms. Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, D.C. 20426

**Re: Compliance Filing in Response to Order Accepting in Part
Proposed Tariff Revisions and Requiring Tariff Revisions
Pursuant to Section 206
Docket Nos. EL16-71-00 and ER17-179-002**

Dear Secretary Bose:

On February 15, 2018, the Federal Energy Regulatory Commission issued its, “Order Accepting In Part Proposed Tariff Revisions and Requiring Tariff Revisions Pursuant To Section 206” in Docket Nos. EL16-71-000 and ER17-179-000.¹ Pursuant to Section 206 of the Federal Power Act, 16 USC § 201(e), the February 15 Order directed PJM Interconnection, L.L.C (“PJM”) and the PJM Transmission Owners to make compliance filings within 30 days to incorporate certain specified changes to Attachment M-3 of the PJM Open Access Transmission Tariff (“OATT” or “Tariff”) and Schedule 6 of the PJM Operating Agreement. The PJM Transmission Owners submit this compliance filing to incorporate the specific changes to Attachment M-3 requested by the Commission.² The revisions to Attachment M-3 are included in red-lined and clean

¹ *Monongahela Power Company, et al*, 162 FERC ¶ 61,129 (2018) (“February 15 Order”).

² Pursuant to Order No. 714, this filing is being submitted by PJM on behalf of the PJM Transmission Owners as part of an XML filing package that conforms with the Commission's regulations. Pursuant to Section 9.1(b) of the PJM Tariff, PJM has agreed to make all filings on behalf of the PJM Transmission Owners in order to retain administrative control over the PJM Tariff. Thus, the PJM Transmission Owners have requested that PJM submit the revisions to Attachment M-3 to the PJM Tariff in the eTariff system as part of PJM's electronic Intra PJM Tariff.

formats as Attachments A and B.³ The PJM Transmission Owners request that the Commission accept these revisions as compliant with the February 15 Order.

I. BACKGROUND

On August 26, 2016, the Commission issued an Order to Show Cause in Docket No. EL16-71-000⁴ setting forth certain directives regarding the PJM Transmission Owners' planning for Supplemental Projects.⁵ The Commission expressed concerns about the current planning process for Supplemental Projects and directed the PJM Transmission Owners to: (1) propose revisions to the PJM Operating Agreement to comply with Order No. 890,⁶ (2) revise their portions of the PJM Tariff or revise their individual OATTs to comply with Order No. 890, or (3) show cause why they should not be required to do so.

On October 25, 2016, the PJM Transmission Owners filed their response to the Commission's directive in the August 26 Order. In conjunction with that response, and in an effort to offer refinements and improvements to the existing Commission-approved transmission planning process, the PJM Transmission Owners and PJM, jointly submitted a proposal under section 205 of the Federal Power Act to set forth additional provisions regarding the planning of Supplemental Projects in a new Attachment M-3 to the PJM OATT. The proposed Attachment M-3 provided additional details of the process that the PJM Transmission Owners would follow to plan Supplemental Projects in accordance with Schedule 6 of the Operating Agreement. Specifically, Attachment M-3 provided that each PJM Transmission Owner would provide PJM with the assumptions and methodology, including any criteria and models, it uses to plan Supplemental Projects. Attachment M-3 clarified that, under section 1.56(b) of Schedule 6 of the PJM Operating Agreement, stakeholders will have an opportunity to provide comments prior to or following the initial assumptions meeting. It also provided opportunities for stakeholder input into system needs, proposed Supplemental Projects and Supplemental Projects submitted for inclusion in the Local Plan.

As relevant to this compliance filing, in the February 15 Order, the Commission accepted the PJM Transmission Owners' proposal to provide additional detail regarding the process of planning Supplemental Projects in an attachment to the PJM OATT.⁷

³ PJM is filing the required revisions to Schedule 6 of the PJM Operating Agreement separately.

⁴ *PJM Interconnection, L.L.C.*, 156 FERC ¶ 61,134 (2016) ("August 26 Order").

⁵ The Operating Agreement defines Supplemental Project as "a transmission expansion or enhancement that is not required for compliance with the following PJM criteria: system reliability, operational performance or economic criteria, pursuant to a determination by the Office of the Interconnection and is not a state public policy project pursuant to section 1.5.9(a)(ii) of Schedule 6 of this Agreement." Amended and Restated Operating Agreement of PJM Interconnection, L.L.C., Section 1, Definitions.

⁶ *Preventing Undue Discrimination and Preference in Transmission System Service*, Order No. 890, FERC Stats. & Regs. ¶ 31,241, *order on reh'g*, Order No. 890-A, FERC Stats. & Regs. ¶ 31,261 (2007), *order on reh'g*, Order No. 890-B, 123 FERC ¶ 61,299 (2008), *order on reh'g*, Order No. 890-C, 126 FERC ¶ 61,228, *order on clarification*, Order No. 890-D, 129 FERC ¶ 61,126 (2009).

⁷ February 15 Order at P 97.

However, the Commission found that, insofar as Attachment M-3 implements the existing process for planning Supplemental Projects, Attachment M-3 was not shown to be just and reasonable.⁸ The Commission required the PJM Transmission Owners to make certain revisions to Attachment M-3 to establish a just and reasonable and not unduly discriminatory or preferential process for planning Supplemental Projects, which it detailed in Appendix A of the February 15 Order.⁹ The Commission also required PJM to make clarifying revisions to Schedule 6 to the PJM Operating Agreement, which it detailed in Appendix B of the February 15 Order.¹⁰

With respect to the revisions it required to Attachment M-3, in two areas, the Commission did not mandate specific language or values, but required the PJM Transmission Owners to submit proposals in a compliance filing. First, the Commission directed the PJM Transmission Owners, after consultation with stakeholders, to propose (1) the minimum number of days between each of the meetings it required the PJM Transmission Owners to hold as part of the planning process; (2) the minimum number of days before each meeting for posting the information to be discussed at that meeting; and (3) the minimum number of days after each meeting for stakeholders to submit written comments regarding the information discussed at each meeting.¹¹ The Commission also required the PJM Transmission Owners to specify the minimum number of days before the Local Plan is incorporated into the Regional Transmission Expansion Plan that Transmission Owners must allow for consideration of written comments on the Local Plan.¹² Second, the Commission directed the PJM Transmission Owners to clarify whether the dispute resolution procedures in Schedule 5 of the PJM Operating Agreement would continue to apply to disputes arising under Attachment M-3 or a different set of procedures would apply.¹³ The Commission gave the PJM Transmission Owners and PJM thirty days to make the required compliance filing.

II. PROPOSED REVISIONS

A. Proposed Revisions to Attachment M-3.

In compliance with the February 15 Order, the PJM Transmission Owners propose the revisions discussed below to Attachment M-3, as modified by the Commission in Appendix A of the February 15 Order.

1. Minimum Days Between Meetings and for Information Exchange Before and After Meetings and Before the Submission of Local Plans.

The Commission required the PJM Transmission Owners to convene a minimum of three separate meetings as part of the planning process for Supplemental Projects: an Assumptions Meeting to review the PJM Transmission Owners' criteria, assumptions,

⁸ *Id.* at P 100.

⁹ *Id.* at P 105.

¹⁰ *Id.*

¹¹ *Id.* at P 113.

¹² *Id.* at Appendix A.

¹³ *Id.* at P 114.

and models, a Needs Meeting to review system needs, and by a Solutions Meeting to review potential solutions to those needs.¹⁴ As noted above, the Commission left nine blanks in the revised Attachment M-3 in Appendix A of the February 15 Order for the minimum number of days between each of the meetings the Commission required, for the PJM Transmission Owners' submission to PJM for posting of information before each of those meetings, for stakeholders' submission of comments after each of those meetings, and for stakeholders' submission of comments before PJM Transmission Owners' submission of their Local Plans to PJM for integration into the Regional Transmission Expansion Plan ("RTEP"). The PJM Transmission Owners propose minimum numbers of days for each of these milestones, based on consultation with PJM to develop an initial proposal, posting of that proposal for comments, and review of stakeholder comments on that proposal.

a. Consultation with PJM

To develop their proposed time periods by the 30-day compliance deadline, the PJM Transmission Owners first consulted with PJM to ensure that the proposed time periods would permit all of the meetings and other steps the Commission required in the February 15 Order to be completed in conjunction with PJM's overall planning cycle. In particular, the PJM Transmission Owners wanted to be sure that the initial planning cycle for Supplemental Projects, which begins with the Assumptions Meeting, could be completed in time for the PJM Transmission Owners to submit their Local Plans for integration into the RTEP that the PJM Board considers at its July meeting.¹⁵ This would align the process the PJM Transmission Owners use to plan Supplemental Projects with the process PJM uses to plan Baseline Projects, which takes place over the same time frame. Between the initial Assumptions Meeting and the PJM's Board's meeting to consider the RTEP, the schedule must accommodate at least two additional meetings (a Needs Meeting and a Solutions Meeting) plus postings and comments in connection with those meetings, as well as a round of comments before the Local Plan is submitted to PJM for integration into the RTEP.¹⁶ The PJM Transmission Owners also sought to develop minimum time periods that allow for some flexibility in scheduling meetings in light of the very congested PJM stakeholder calendar.

¹⁴ *Id.* at P 110.

¹⁵ Additional system needs that a PJM Transmission Owner identifies later in the year based on the criteria, assumptions, and models reviewed at the Assumptions Meeting will be reviewed at a subsequent Needs Meeting, followed by a Solutions Meeting to review potential solutions, before those projects are ultimately submitted as part of a Local Plan for inclusion in later-occurring RTEPs. The process described in Attachment M-3, including the minimum periods proposed in this compliance filing, applies to all projects proposed during the course of the year.

¹⁶ The PJM Board does not approve the inclusion of Supplemental Projects in the Local Plans. Rather, the Local Plans, including the Supplemental Projects selected by the PJM Transmission Owners, are provided to the Board as part of its consideration and approval of the baseline projects included in the RTEP. PJM Operating Agreement, Schedule 6, § 1.6(a).

b. Posting of Initial Proposal and Solicitation of Stakeholder Comments

After consulting with PJM, the PJM Transmission Owners developed an initial proposal including all of the minimum time periods the Commission required between meetings, for posting information in advance of each meeting, and for the submission of stakeholder comments after each meeting and before the Local Plan is submitted to PJM for integration into the RTEP. PJM posted the initial proposal for stakeholder comments on February 27, 2018. PJM's notice to stakeholders solicited comments on the PJM Transmission Owners' proposed minimum time periods by email on or before 5 pm, March 9, 2018.¹⁷ The PJM Transmission Owners also informed stakeholders of the comment process in two previously scheduled PJM stakeholder meetings.

The PJM Transmission Owners' proposal provided for the required meetings to take place on a monthly basis,¹⁸ with information posted by the PJM Transmission Owners at least ten days before each meeting and stakeholder comments due no later than ten days after each meeting. This proposed schedule allows time for each PJM Transmission Owner to consider the comments received during the process in the development of its Local Plan, to post the Local Plan for additional stakeholder comments, and, after consideration of those comments, to submit the Local Plans to PJM. It also allows time for PJM to conduct its analysis of proposed Supplemental Projects to determine if any would give rise to reliability issues or operational performance issues and to integrate the Local Plans into the RTEP, together with the Baseline Projects it has planned for submission to the PJM Board in advance of its meeting.

c. Stakeholder Comments

Five stakeholders or groups of stakeholders submitted four sets of comments on the PJM Transmission Owners' proposed minimum time periods.¹⁹ Those comments generally recommended extending the minimum time periods between meetings and for the PJM Transmission Owners' submission of materials for posting before meetings by periods ranging from five to twenty days. One commenter, however, suggested that stakeholders be required to submit all comments before the meeting at which the information was to be discussed, effectively reducing the time available for stakeholder comments. Two commenters recommended extending the minimum time between the Needs Meeting and the Solutions meeting from 30 to 90 days, and in one case, to require a minimum of two Solutions Meetings in that period. Another commenter recommended shifting some of the minimum time periods from calendar days to business days and calculating the minimum time periods between meetings based on the deadlines for submitting comments on information discussed in the prior meeting, rather than on the date the prior meeting was held, as the Commission required in the February 15 Order.

¹⁷ The PJM Transmission Owners' notice soliciting stakeholder comments on their initial proposed minimum time periods is provided as Attachment C.

¹⁸ Because the Commission required the PJM Transmission Owners to submit minimum time periods, the PJM Transmission Owners' proposal included a minimum of 25 days between the meetings so that monthly meetings could be scheduled around holidays and conflicts that might arise with other PJM-scheduled stakeholder meetings.

¹⁹ One set of comments was submitted jointly by two stakeholders.

Some of the stakeholders' comments also addressed issues other than the minimum time periods for the Supplemental Project planning process. They recommended changes to the process beyond those the Commission required in the February 15 Order, including in some cases, changes that the Commission rejected in that order.²⁰

In response to the stakeholder comments, PJM apprised the PJM Transmission Owners that minimum periods between Supplemental Project planning meetings of more than 28 days would have the potential to cause problems by preventing effective coordination with meetings of the PJM Transmission Expansion Advisory Committee ("TEAC"), through which PJM receives stakeholder input on its planning of Baseline Projects.

d. Consideration of Comments and Development of Proposal

The PJM Transmission Owners reviewed all comments received relating to the minimum time periods the Commission required them to propose.²¹ While the PJM Transmission Owners are sensitive to the desire of some stakeholders for additional time between meetings and for more time to review the materials presented for discussion at the meetings, they determined that, in most cases, longer minimum time periods would compromise their ability to coordinate the Supplemental Project planning process with PJM's planning of Baseline Projects for inclusion in the RTEP. The period for posting criteria, assumptions, and models in advance of the Assumptions Meeting is an exception, since the PJM Transmission Owners could increase the time for stakeholder review of that information without impeding the subsequent steps in the process. The PJM Transmission Owners accordingly propose to require them to submit that information for posting twenty days in advance of the Assumptions Meeting (versus the ten days they proposed in the February 27, 2018 notice). In all other respects, the minimum time periods that the PJM Transmission Owners propose in this compliance filing conform to those proposed in the initial notice to stakeholders. The PJM Transmission Owners do not propose to change any of the Commission's Attachment M-3 language that they were not specifically directed to address.

The PJM Transmission Owners' proposed minimum time periods are set forth in the table below and provided in Attachments A and B, which insert the minimum time periods listed below in the Commission's February 15, 2018 mark-up of Attachment M-3.

²⁰ For example, the joint comments of American Municipal Power, Inc., and the PJM Industrial Customer Coalition request, among other things, that the PJM Transmission Owners commit to responding to every stakeholder question or comment submitted, even though the Commission rejected this proposal as not "required for the PJM Transmission Owners to comply with Order No. 890." February 15 Order at P 117.

²¹ The PJM Transmission Owners do not respond in this filing to stakeholder comments addressing other issues.

ATT. M-3 SECTION	EVENT	MINIMUM DAYS (Calendar)
2	Submission of criteria, assumptions and models for posting in advance of the Assumptions Meeting	20
2	Submission of comments after Assumptions Meeting for TO review and consideration	10
3	Time between Assumptions Meeting and Needs Meeting	25
3	Posting identified criteria violations and drivers in advance of the Needs Meeting	10
3	Submission of comments after Needs Meeting for TO review and consideration	10
4	Time between Needs Meeting and Solutions Meeting	25
4	Posting of potential solutions, as well as any alternatives identified by TOs or stakeholders in advance of the Solutions Meeting	10
4	Submission of comments after Solutions Meeting for TO review and consideration	10
5	Submission of comments before the Local Plan is integrated into the RTEP for TO review and consideration	10

The PJM Transmission Owners’ proposal complies with the February 15 Order. It allows for a Supplemental Project planning process that includes all of the meetings required by the February 15 Order, ensures that information for each meeting will be submitted in advance, and provides time for stakeholders to comment on the information discussed at each meeting in time for those comments to be considered before the next meeting or other step in the process. And importantly, as discussed above, it permits the coordination of the Supplemental Project planning process with PJM’s planning process, including the completion of the first Supplemental Project planning cycle in time for the PJM Transmission Owners’ Local Plans comprising Supplemental Projects to be submitted for integration into the RTEP and presented to the PJM Board for review in July of each year, together with the Baseline Projects planned by PJM.

As explained above, PJM has informed the PJM Transmission Owners that the longer minimum periods proposed by some stakeholders would prevent that vital coordination with the overall RTEP. The PJM Transmission Owners also note that because the time periods they propose are *minimum* periods, consistent with the Commission’s direction, if more time is required to consider particular criteria and assumptions, a particular system need, or a proposed solution, the proposal allows for more time in that instance. At the same time, it does not delay the review of system needs and solutions that do not require additional consideration.

2. Dispute Resolution Process.

As required in the February 15 Order,²² the PJM Transmission Owners confirm that disputes arising under Attachment M-3 will continue to be governed by Schedule 5 of the Operating Agreement. In Attachments A and B to this compliance filing, the PJM Transmission Owners have inserted a statement to that effect in the blank that the Commission left for that purpose in Attachment M-3.

III. EFFECTIVE DATE

As noted in the February 15 Order, the Commission will establish the effective date of Attachment M-3 upon review of this compliance filing.

IV. COMMUNICATIONS

The PJM Transmission Owners request that all correspondence concerning this filing be served upon the following:

Kenneth G. Jaffe
Alston & Bird LLP
950 F Street N.W.
Washington, D.C. 20004
(202) 239-3154
kenneth.jaffe@alston.com

Donald A. Kaplan
K&L Gates LLP
1601 K Street, N.W.
Washington, D.C. 20006
(202) 661-6266
don.kaplan@klgates.com

V. CONTENTS OF FILING

This filing consists of the following documents:

- The instant Transmittal Letter;
- Attachment A: Redline Tariff Sheets of PJM Tariff, Attachment M-3;
- Attachment B: Clean Tariff Sheets of PJM Tariff, Attachment M-3; and
- Attachment C: Notice of PJM Transmission Owners Consultation with PJM Stakeholders Regarding Compliance with FERC's Order in Monongahela Power Company, et al, Docket Nos. EL16-71-000 and ER17-179-000.

VI. LIST OF PERSONS RECEIVING A COPY OF THIS FILING

On behalf of the PJM Transmission Owners, PJM has served a copy of this filing on all PJM Members and on all state utility regulatory commissions in the PJM Region by posting this filing electronically. In accordance with the Commission's regulations,²³

²² *Id.* at P 114.

²³ *See* 18 C.F.R §§ 35.2(e) and 385.2010(f)(3) (2016).

Honorable Kimberly D. Bose, Secretary
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PJM will post a copy of this filing to the FERC filings section of its internet site, located at the following link: <http://www.pjm.com/documents/ferc-manuals/ferc-filings.aspx> with a specific link to the newly-filed documents, and will send an e-mail on the same date as this filing to all PJM Members and all state utility regulatory commissions in the PJM Region²⁴ alerting them that this filing has been made by PJM and is available by following such link. If the documents are not immediately available by using the referenced link, the documents will be available through the referenced link within 24 hours of the filing. Also, a copy of this filing will be available on the Commission's eLibrary website located at the following link: <http://www.ferc.gov/docs-filing/elibrary.asp> in accordance with the Commission's regulations and Order No. 714.

²⁴ PJM already maintains, updates and regularly uses e-mail lists for all PJM members and affected state commissions.

VII. CONCLUSION

For the reasons discussed, the PJM Transmission Owners request that the Commission accept this compliance filing.

Respectfully submitted,

Kenneth G. Jaffe

Kenneth G. Jaffe
Richard P. Sparling
Alston & Bird LLP
950 F Street N.W.
Washington, D.C. 20004
(202) 239-3154
kenneth.jaffe@alston.com
richard.sparling@alston.com

*Counsel for FirstEnergy Service
Company*

Donald A. Kaplan

Donald A. Kaplan
William M. Keyser
K&L Gates LLP
1601 K Street, N.W.
Washington, D.C. 20006
(202) 661-6266
don.kaplan@klgates.com
william.keyser@klgates.com

*Counsel for PPL Electric Utilities
Corporation*

On behalf of the PJM Transmission Owners

Attachment A

Redline Tariff Sheets of PJM Tariff, Attachment M-3

(Text filling blanks in revisions directed by Appendix A to Feb. 15
Order shown in **highlight**)

ATTACHMENT M-3

ADDITIONAL PROCEDURES FOR PLANNING OF SUPPLEMENTAL PROJECTS

This document provides additional details of the process that PJM and the PJM Transmission Owners will follow in connection with planning Supplemental Projects, as defined in section 1.42A.02 of the Operating Agreement, in accordance with Schedule 6 of the Operating Agreement. This process will only apply to Transmission Owners that plan Supplemental Projects

1. **Annual Review of Supplemental Projects.** As described in sections 1.3(c) and (d) of Schedule 6 of the Operating Agreement, the Subregional RTEP Committees shall be responsible for the review of Supplemental Projects. The Subregional RTEP Committees shall have a meaningful opportunity to participate and provide feedback, including written comments, throughout the transmission planning process for Supplemental Projects. Disputes shall be resolved in accordance with the procedures set forth at Schedule 5 of the Operating Agreement.

2. **Review of Assumptions and Methodology.** ~~Prior to the initial assumptions meeting scheduled in~~In accordance with sections 1.3(d), 1.5.4(a), and 1.5.6(b) ~~and 1.5.6(c)~~ of Schedule 6 of the Operating Agreement, each Subregional RTEP Committee shall schedule and facilitate a minimum of one Subregional RTEP Committee meeting to review the criteria, assumptions, and models Transmission Owners ~~will provide to~~ Transmission Provider ~~for posting the propose to use to plan and identify Supplemental Projects (Assumptions Meeting).~~ Each Transmission Owner shall provide the criteria, assumptions ~~and methodology, including any criteria and models, it uses to plan Supplemental Projects. The Transmission Provider will post such, and models to PJM for posting at least 20 days in advance of the Assumptions Meeting to provide Subregional RTEP Committee Participants sufficient time to review this information. Stakeholders may provide comments on the criteria, assumptions and methodology in accordance with the schedule for postings it establishes under sections 1.3(d) and 1.5.6(b). The Transmission Owner will review those assumptions and methodology annually at the initial assumptions meeting. Stakeholders may provide comments on the assumptions and methodology, and models to the Transmission Owner for consideration either prior to or following the initial assumptions meeting.~~ Assumptions Meeting. The Transmission Owner shall review and consider comments that are received within 10 days of the Assumptions Meeting and may respond or provide feedback as appropriate.

23. **Review of System Needs ~~and Potential Solutions.~~** No fewer than 25 days after the Assumptions Meeting, each Subregional RTEP Committee shall schedule and facilitate a minimum of one Subregional RTEP Committee meeting per planning cycle to review the identified criteria violations and resulting system needs, if any, that may drive the need for a Supplemental Project (Needs Meeting). Each Transmission Owner will ~~provide a review of the identified~~ system needs and the drivers of those needs, based on the application of its ~~methodology and assumptions used to plan Supplemental Projects, and potential~~ criteria, assumptions, and models that it uses to plan Supplemental Projects. The

Transmission Owners shall share and post their identified criteria violations and drivers no fewer than 10 days in advance of the Needs Meeting. Stakeholders may provide comments on the criteria violations and drivers to the Transmission Owner for consideration prior to, at, or following the Needs Meeting. The Transmission Owner shall review and consider comments that are received within 10 days of the Needs Meeting and may respond or provide feedback as appropriate.

4. **Review of Potential Solutions.** No fewer than 25 days after the Needs Meeting, each Subregional RTEP Committee shall schedule and facilitate a minimum of one Subregional RTEP Committee meeting per planning cycle to review potential solutions being considered to meet those needs and drivers, at meetings of the Subregional RTEP Committee established under the Operating Agreement scheduled in accordance with section 1.3 of Schedule 6 of the Operating Agreement. The Transmission Owner will provide a description of the system needs and drivers and for the identified criteria violations (Solutions Meeting). The Transmission Owners shall share and post their potential solutions to, as well as any alternatives identified by the Transmission Provider for posting at least five (5) business Owners or stakeholders, no fewer than 10 days in advance of the meeting at which they will be reviewed. Solutions Meeting. Stakeholders may provide comments on the identified system needs, drivers, and potential solutions to the Transmission Owner for consideration within thirty (30) calendar days after the meeting either prior to or following the Solutions Meeting. The Transmission Owner shall review and consider comments that are received within 10 days of the meeting and may respond or provide feedback as appropriate.
35. **Submission of Supplemental Projects.** Each Transmission Owner will finalize for submittal to the Transmission Provider Supplemental Projects for inclusion in the Local Plan in accordance with section 1.3 of Schedule 6 of the Operating Agreement and the schedule established by the Transmission Provider. Stakeholders may provide comments on the Supplemental Projects in accordance with ~~that~~ section 1.3 of Schedule 6 of the PJM Operating Agreement before the Local Plan is integrated into the Regional Transmission Expansion Plan. Each Transmission Owner shall review and consider comments that are received at least 10 days before the Local Plan is submitted for integration into the Regional Transmission Expansion Plan.
46. **Information Relating to Supplemental Projects.** Information relating to each Transmission Owners' s Supplemental Projects will be provided in accordance with, and subject to the limitations set forth in, section 1.5.4 of Schedule 6 of the Operating Agreement. Local Plan Information will be provided to and posted by the Office of Interconnection as set forth in section 1.5.4(e) of Schedule 6 of the Operating Agreement.
57. **No Limitation on Additional Meetings and Communications.** Nothing in this Attachment M-3 precludes any Transmission Owner from agreeing with stakeholders to additional meetings or other communications regarding Supplemental Projects ~~that affect such stakeholders~~, in addition to the Subregional RTEP Committee process.

Modifications. This Attachment M-3 may only be modified under Section 205 of the Federal Power Act if the proposed modification pursuant to a filing under Section 205 of the Federal Power Act ~~that~~ has been authorized by the PJM Transmission Owners Agreement-Administrative Committee in accordance with Section 8.5 of the Consolidated Transmission Owners Agreement.

Attachment B

Clean Tariff Sheets of PJM Tariff, Attachment M-3

ATTACHMENT M-3

ADDITIONAL PROCEDURES FOR PLANNING OF SUPPLEMENTAL PROJECTS

This document provides additional details of the process that PJM and the PJM Transmission Owners will follow in connection with planning Supplemental Projects, as defined in section 1.42A.02 of the Operating Agreement, in accordance with Schedule 6 of the Operating Agreement. This process will only apply to Transmission Owners that plan Supplemental Projects

1. **Review of Supplemental Projects.** As described in sections 1.3(c) and (d) of Schedule 6 of the Operating Agreement, the Subregional RTEP Committees shall be responsible for the review of Supplemental Projects. The Subregional RTEP Committees shall have a meaningful opportunity to participate and provide feedback, including written comments, throughout the transmission planning process for Supplemental Projects. Disputes shall be resolved in accordance with the procedures set forth at Schedule 5 of the Operating Agreement.
2. **Review of Assumptions and Methodology.** In accordance with sections 1.3(d), 1.5.4(a), and 1.5.6(b) and 1.5.6(c) of Schedule 6 of the Operating Agreement, each Subregional RTEP Committee shall schedule and facilitate a minimum of one Subregional RTEP Committee meeting to review the criteria, assumptions, and models Transmission Owners propose to use to plan and identify Supplemental Projects (Assumptions Meeting). Each Transmission Owner shall provide the criteria, assumptions, and models to PJM for posting at least 20 days in advance of the Assumptions Meeting to provide Subregional RTEP Committee Participants sufficient time to review this information. Stakeholders may provide comments on the criteria, assumptions, and models to the Transmission Owner for consideration either prior to or following the Assumptions Meeting. The Transmission Owner shall review and consider comments that are received within 10 days of the Assumptions Meeting and may respond or provide feedback as appropriate.
3. **Review of System Needs.** No fewer than 25 days after the Assumptions Meeting, each Subregional RTEP Committee shall schedule and facilitate a minimum of one Subregional RTEP Committee meeting per planning cycle to review the identified criteria violations and resulting system needs, if any, that may drive the need for a Supplemental Project (Needs Meeting). Each Transmission Owner will review the identified system needs and the drivers of those needs, based on the application of its criteria, assumptions, and models that it uses to plan Supplemental Projects. The Transmission Owners shall share and post their identified criteria violations and drivers no fewer than 10 days in advance of the Needs Meeting. Stakeholders may provide comments on the criteria violations and drivers to the Transmission Owner for consideration prior to, at, or following the Needs Meeting. The Transmission Owner shall review and consider comments that are received within 10 days of the Needs Meeting and may respond or provide feedback as appropriate.

4. **Review of Potential Solutions.** No fewer than 25 days after the Needs Meeting, each Subregional RTEP Committee shall schedule and facilitate a minimum of one Subregional RTEP Committee meeting per planning cycle to review potential solutions for the identified criteria violations (Solutions Meeting). The Transmission Owners shall share and post their potential solutions, as well as any alternatives identified by the Transmission Owners or stakeholders, no fewer than 10 days in advance of the Solutions Meeting. Stakeholders may provide comments on the potential solutions to the Transmission Owner for consideration either prior to or following the Solutions Meeting. The Transmission Owner shall review and consider comments that are received within 10 days of the meeting and may respond or provide feedback as appropriate.
5. **Submission of Supplemental Projects.** Each Transmission Owner will finalize for submittal to the Transmission Provider Supplemental Projects for inclusion in the Local Plan in accordance with section 1.3 of Schedule 6 of the Operating Agreement and the schedule established by the Transmission Provider. Stakeholders may provide comments on the Supplemental Projects in accordance with section 1.3 of Schedule 6 of the PJM Operating Agreement before the Local Plan is integrated into the Regional Transmission Expansion Plan. Each Transmission Owner shall review and consider comments that are received at least 10 days before the Local Plan is submitted for integration into the Regional Transmission Expansion Plan.
6. **Information Relating to Supplemental Projects.** Information relating to each Transmission Owner's Supplemental Projects will be provided in accordance with, and subject to the limitations set forth in, section 1.5.4 of Schedule 6 of the Operating Agreement. Local Plan Information will be provided to and posted by the Office of Interconnection as set forth in section 1.5.4(e) of Schedule 6 of the Operating Agreement.
7. **No Limitation on Additional Meetings and Communications.** Nothing in this Attachment M-3 precludes any Transmission Owner from agreeing with stakeholders to additional meetings or other communications regarding Supplemental Projects, in addition to the Subregional RTEP Committee process.

Modifications. This Attachment M-3 may only be modified under Section 205 of the Federal Power Act if the proposed modification has been authorized by the PJM Transmission Owners Agreement-Administrative Committee in accordance with Section 8.5 of the Consolidated Transmission Owners Agreement.

Attachment C

Notice of PJM Transmission Owners Consultation with PJM
Stakeholders Regarding Compliance with FERC's Order in
Monongahela Power Company, et al, Docket Nos. EL16-71-000
and ER17-179-000

**Notice of PJM Transmission Owner Consultation
With PJM Stakeholders Regarding
Compliance with FERC’s Order in *Monongahela Power Company, et al*,
Docket Nos. EL16-71-000 and ER17-179-000
(February 27, 2018)**

On February 15, 2018, the Federal Energy Regulatory Commission issued its, “Order Accepting In Part Proposed Tariff Revisions And Requiring Tariff Revisions Pursuant To Section 206” in Docket Nos. EL16-71-000 and ER17-179-000, *Monongahela Power Company, et al*, 162 FERC ¶ 61,129 (“February 15 Order”). Pursuant to Section 206 of the Federal Power Act, 16 USC § 201(e), the February 15 Order directed PJM and the PJM Transmission Owners to make a compliance filing within 30 days to incorporate certain specified changes to Attachment M-3 of the PJM Tariff proposed by the PJM Transmission Owners and to Schedule 6 of the PJM Operating Agreement. Under FERC rules, the compliance filing is due on March 19, 2018.

Among the changes to Attachment M-3 specified by FERC was the establishment of (1) the minimum number of days between each Subregional RTEP Committee meeting; (2) the minimum number of days before each meeting by which the information to be discussed at that meeting must be posted; (3) the minimum number of days after each meeting that stakeholders will have to submit written comments for consideration regarding the information discussed at each meeting; and (4) the minimum number of days before the Local Plan is incorporated into the Regional Transmission Expansion Plan that Transmission Owners must allow for consideration of written comments on the Local Plan. In all, nine different minimum time periods need to be established and incorporated into Attachment M-3. Paragraph 113 of the February 15 Order directed the PJM Transmission Owners to propose the number of days for each time minimum period after consultation with stakeholders.

After consultation with PJM regarding the schedule of the overall planning cycle and the timing of certain milestones within the planning cycle, the PJM Transmission Owners have developed proposed minimum time periods. That cycle begins with the publication of criteria, assumptions and models early in January. The minimum time periods proposed are designed to complete the consideration of Supplemental Projects in time for the PJM Board meeting to approve the Regional Transmission Expansion Plan in July and in subsequent RTEP approval cycles throughout the year. In order to develop the baseline projects to be included in the RTEP, PJM will need to consider the Supplemental Projects included in the Local Plan. The proposed minimum time periods will permit that consideration. The proposed minimum time periods also allow for some necessary flexibility in scheduling meetings given the very congested PJM stakeholder calendar.

A copy of the revisions to Attachment M-3 required by FERC, with the proposed minimum time periods stated in calendar days highlighted, is attached to this notice. The PJM Transmission Owners solicit stakeholder input and comment on these proposed minimum time periods.

Written comments on the proposed minimum time periods, including, if the commenter so desires, a version of the Attachment marked to show changes proposed by the commenter, may be submitted for consideration by email to: (TO_February_15_Order_Compliance@pjm.com) on or before 5 pm, March 9, 2018.

Appendix A – Revisions Required to Attachment M-3

ATTACHMENT M-3

ADDITIONAL PROCEDURES FOR PLANNING OF SUPPLEMENTAL PROJECTS

This document provides additional details of the process that PJM and the PJM Transmission Owners will follow in connection with planning Supplemental Projects, as defined in section 1.42A.02 of the Operating Agreement, in accordance with Schedule 6 of the Operating Agreement. This process will only apply to Transmission Owners that plan Supplemental Projects

1. **Review of Supplemental Projects.** As described in sections 1.3(c) and (d) of Schedule 6 of the Operating Agreement, the Subregional RTEP Committees shall be responsible for the review of Supplemental Projects. The Subregional RTEP Committees shall have a meaningful opportunity to participate and provide feedback, including written comments, throughout the transmission planning process for Supplemental Projects. Disputes shall be resolved in accordance with the procedures set forth at XXX.
2. **Review of Assumptions and Methodology.** In accordance with sections 1.3(d), 1.5.4(a), and 1.5.6(b) and 1.5.6(c) of Schedule 6 of the Operating Agreement, each Subregional RTEP Committee shall schedule and facilitate a minimum of one Subregional RTEP Committee meeting to review the criteria, assumptions, and models Transmission Owners propose to use to plan and identify Supplemental Projects (Assumptions Meeting). Each Transmission Owner shall provide the criteria, assumptions and models to PJM for posting at least 10 days in advance of the Assumptions Meeting to provide Subregional RTEP Committee Participants sufficient time to review this information. Stakeholders may provide comments on the criteria, assumptions, and models to the Transmission Owner for consideration either prior to or following the Assumptions Meeting. The Transmission Owner shall review and consider comments that are received within 10 days of the Assumptions Meeting and may respond or provide feedback as appropriate.
3. **Review of System Needs.** No fewer than 25 days after the Assumptions Meeting, each Subregional RTEP Committee shall schedule and facilitate a minimum of one Subregional RTEP Committee meeting per planning cycle to review the identified criteria violations and resulting system needs, if any, that may drive the need for a Supplemental Project (Needs Meeting). Each Transmission Owner will review the identified system needs and the drivers of those needs, based on the application of its criteria, assumptions, and models that it uses to plan Supplemental Projects. The Transmission Owners shall share and post their identified criteria violations and drivers no fewer than 10 days in advance of the Needs Meeting. Stakeholders may provide comments on the criteria violations and drivers to the Transmission Owner for consideration prior to, at, or following the Needs Meeting. The Transmission Owner shall review and consider comments that are received within 10 days of the Needs Meeting and may respond or provide feedback as appropriate.

4. **Review of Potential Solutions.** No fewer than 25 days after the Needs Meeting, each Subregional RTEP Committee shall schedule and facilitate a minimum of one Subregional RTEP Committee meeting per planning cycle to review potential solutions for the identified criteria violations (Solutions Meeting). The Transmission Owners shall share and post their potential solutions, as well as any alternatives identified by the Transmission Owners or stakeholders, no fewer than 10 days in advance of the Solutions Meeting. Stakeholders may provide comments on the potential solutions to the Transmission Owner for consideration either prior to or following the Solutions Meeting. The Transmission Owner shall review and consider comments that are received within 10 days of the meeting and may respond or provide feedback as appropriate.
5. **Submission of Supplemental Projects.** Each Transmission Owner will finalize for submittal to the Transmission Provider Supplemental Projects for inclusion in the Local Plan in accordance with section 1.3 of Schedule 6 of the Operating Agreement and the schedule established by the Transmission Provider. Stakeholders may provide comments on the Supplemental Projects in accordance with section 1.3 of Schedule 6 of the PJM Operating Agreement before the Local Plan is integrated into the Regional Transmission Expansion Plan. Each Transmission Owner shall review and consider comments that are received at least 10 days before the Local Plan is submitted for integration into the Regional Transmission Expansion Plan.
6. **Information Relating to Supplemental Projects.** Information relating to each Transmission Owner's Supplemental Projects will be provided in accordance with, and subject to the limitations set forth in, section 1.5.4 of Schedule 6 of the Operating Agreement. Local Plan Information will be provided to and posted by the Office of Interconnection as set forth in section 1.5.4(e) of Schedule 6 of the Operating Agreement.
7. **No Limitation on Additional Meetings and Communications.** Nothing in this Attachment M-3 precludes any Transmission Owner from agreeing with stakeholders to additional meetings or other communications regarding Supplemental Projects, in addition to the Subregional RTEP Committee process.

Modifications. This Attachment M-3 may only be modified under Section 205 of the Federal Power Act if the proposed modification has been authorized by the PJM Transmission Owners Agreement-Administrative Committee in accordance with Section 8.5 of the Consolidated Transmission Owners Agreement.