

Design Element	Status Quo	Attachment M-3 FERC Directive - PJM and TO Compliance Filings (3/19/2018) [Applicable to all Supplemental projects] [Not for editing or voting as this is the FERC directive(s)]	AMP/ODEC Proposal	PJM Proposal
1. Review of EOL Projects	<ul style="list-style-type: none"> - PJM standard ADR processes in OATT and OA (process assertion for violating OATT and OA) - participate in discussion by TEAC, letters TO the board, siting proceedings by state 	<ul style="list-style-type: none"> • Subregional RTEP Committees shall be responsible for the review of Supplemental Projects. (M-3, P1) • 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. (M-3, P1) • Disputes shall be resolved in accordance with the procedures set forth at Schedule 5 of the Operating Agreement. (M-3, P1), which are specific to disputes as to a "matter governed by one of Related PJM Agreements," which is limited to process specific to whether stakeholders had an opportunity to provide comments for consideration on (i) the TOs criteria, assumptions and models; (ii) the criteria violations and drivers; and (iii) potential solutions. Also, whether stakeholders had an opportunity to submit alternatives. 	<ul style="list-style-type: none"> • Disputes shall be resolved in accordance with the procedures set forth at Schedule 5 of the Operating Agreement. • This is not limited to process disputes and shall include disputes about a TO's assumptions, needs, or decisions to select one or more EOL Projects into the Local Plan. 	<ol style="list-style-type: none"> 1. PJM design component proposals shall be reflected within PJM Manuals. Per PJM process, stakeholders at the PC shall vote whether to modify and or implement process changes. 2. PJM proposes facilitated Sub-regional RTEP Meetings to include EOL Planning. (note: individual TO meetings at TO discretion) 3. Process must include/allow for meaningful input by stakeholders. 4. Nothing precludes any TO from agreeing to have additional stakeholder meetings or communications. 5. PJM suggests that there is opportunity for Alternative Dispute Resolution (ADR) regarding the RTEP or SRRTEP processes, however, no ADR process is identified for project selection. Project selection is determined solely by TO.
2. Assumptions and Methodology Meeting	<ul style="list-style-type: none"> - assumptions meeting annually at the beginning of cycle - meetings as needed for the rest of year - sub regional meetings focusing on EOL Baseline Projects as well as EOL Supplemental Projects for each TO in the region -pc, TEAC, sub regional rtep 	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • PJM-facilitated Regional and Subregional Meetings on EOL Planning plus individual TO meetings. • TOs provide (and PJM posts) all TO planning criteria assumptions as well as EOL assessment methodologies and assumptions 30 days before meeting. • Stakeholder comments 15 days after meeting. • 30 days after assumptions meeting, PJM provides assumptions to be used in performing the evaluation as well as any concerns with TO-provided assumptions. 	<ol style="list-style-type: none"> 1. Follow process which is similar, though not identical to, the TEAC process and timing for baseline projects 2. TO's provide overview of material condition and asset management program as they relate to end of life. 3. TOs provide (and PJM posts) assumptions

	<p>postings via PJM.com WebEx, special pc</p>	<p>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. (M-3, P2)</p> <ul style="list-style-type: none"> 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. (M-3, P2) 	<ul style="list-style-type: none"> The TOs shall provide written responses within 10 days of stakeholder comments. The TOs shall provide enough information for stakeholders to understand how assets have been prioritized for replacement, how the replacement versus maintenance decision is made, how assets rank relative to other assets on the system and the system average values. The level of detail will be sufficient to enable stakeholders to replicate the TO decision-making process for EOL facilities. 	<p>20 calendar days in advance of scheduled SRRTEP meeting.</p> <ol style="list-style-type: none"> Stakeholders provide any comments regarding the criteria, assumptions, and models posted for use in the EOL study process within 10 days of the assumptions and methodology meeting to be included in the TO review and consideration of all comments received for the assumptions and methodology meeting PJM shall schedule and facilitate all SRRTEP meetings. With continued refinements, and to the extent possible, a uniform template shall be used by all TOs to convey the information above At the SRRTEP meeting(s), stakeholders and customers should have access to basic transmission planning information necessary for them to consider future resource options (paragraph 476 of FERC Order No. 890) and impacts upon customer needs. Stakeholders may request information relevant to the TO's need determination and PJM shall provide such, or, in the instance that PJM does not possess such information, PJM shall submit the request for the relevant information to the zonal TO. PJM shall facilitate the SRRTEP in a timely fashion to support the progress of the planning process. TOs should coordinate their EOL processes with their yearly local reliability planning to help clarify why a more expensive
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				<p>solution might be brought forward that would solve both the reliability and EOL drivers.</p> <p>10. The TOs should synchronize above to provide input into PJM annual system forecast needs. (Note: for each TO, it must be recognized that its needs forecast can and will change throughout the year.)</p>
<p>3. System Needs Meeting(s)</p>		<ul style="list-style-type: none"> 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). (M-3, P3) 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. (M-3, P3) The Transmission Owners shall share and post their identified criteria violations and drivers no fewer than 10 days in advance of the Needs Meeting. (M-3, P3) Stakeholders may provide comments on the criteria violations and drivers to the Transmission Owner for consideration prior to, at, or following the Needs Meeting. (M-3, P3) The Transmission Owner shall review and consider comments that are received within 10 days of the Needs Meeting and may 	<ul style="list-style-type: none"> To include a review of system needs and drivers of needs, based on application of TO methodology and assumptions used to plan EOL projects. PJM-facilitated Subregional Meetings on EOL Planning. At least 25 days after the Assumptions Meeting. 10 days prior to Needs Meeting, TOs provide and PJM posts all PJM or TO system needs and drivers. Stakeholders provide written comments within 10 days for TO consideration. TOs provide written responses, including all additional information requested, prior to Solutions Meeting(s). Subsequent Solutions meetings will be deferred until all information is provided. <u>Criteria</u> should be quantifiable and include details about associated criteria thresholds. Each TO proposing EOL driven projects should have and share an established, company-approved, public set of quantifiable criteria that can be replicated by external entities. <u>Criteria assessments</u> should include at a minimum: asset scoring data inputs, analysis, and final results. Criteria assessments should also assess EOL priority ranking relative to entire system under study. All TO facilities need to continue to be part of the overall system level average. <u>Drivers</u> contributing to EOL determination (including performance, condition and risk) should be included. TOs will provide quantifiable values pertaining to what is driving facility selection. These values must include system level averages. As applicable, TO's shall provide documentation 	<ol style="list-style-type: none"> PJM schedule a minimum of one Subregional RTEP committee meeting no fewer than 25 days after the assumptions and methodology meeting to review the identified criteria violations and resulting system needs, if any, that may drive the need for an EOL project TO post identified criteria violations and drivers no fewer than 10 days in advance of the Needs Meeting Stakeholders provide comments no later than 10 days following the needs meeting for TO to review and consider so that the TO may respond or provide feedback as appropriate TO's provide annual forecast of supplemental projects with current known information. Additional forecasts may be provided throughout the year as necessary. Drivers contributing to EOL-based need determination (such as age, performance, condition and risk) should be included from the criteria identified in the assumptions and methodology meeting. TO representatives shall present identified system needs and drivers, and potential

		<p>respond or provide feedback as appropriate. (M-3, P3)</p>	<p>developed of condition assessments (e.g. photographs, engineer field reports, etc.)</p> <ul style="list-style-type: none"> • TOs should also identify the specific company that owns the asset being assessed and if the asset is currently a transmission or distribution asset, as well as what entity will be owning, operating and maintaining the replacement facilities. • When EOL transmission projects are replacing distribution assets, the TO also provides drivers to support a transmission improvement over a distribution improvement, including the supporting evidence that demonstrates the transmission alternative is lower in cost and/or the distribution alternative would not meet the needs. Finally, for any EOL project that is replacing a distribution facility, the TO must demonstrate that the distribution needs are imminent. • TOs must coordinate TO EOL process with their yearly local reliability planning to better demonstrate why a more expensive solution might be brought forward. • Needs meetings must occur prior to the individual TO finalizing its annual budget. • Nothing precludes any TO from having additional stakeholder meetings or communications regarding a Local Plan that affects such stakeholders in addition to the Planning Meetings. 	<p>solutions being considered to meet those needs and drivers.</p>
<p>4. Potential Solutions Meeting(s)</p>		<ul style="list-style-type: none"> • 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). (M-3, P4) • The Transmission Owners shall share and post their potential solutions, as well as any alternatives identified by the Transmission 	<ul style="list-style-type: none"> • No fewer than 25 days after the Needs Meeting, each Regional TEAC or Subregional RTEP Committee shall schedule and facilitate a minimum of one Regional TEAC or Subregional RTEP Committee meeting to review potential solutions for the identified criteria violations (Solutions Meeting). • TOs shall share and post their potential solutions, as well as any alternatives identified by the TOs or stakeholders, no fewer than 10 days in advance of the Solutions Meeting. • Stakeholders may provide comments on the potential solutions to the TO for consideration either prior to or following the Solutions Meeting. 	<ol style="list-style-type: none"> 1. PJM schedule a minimum of one subregional RTEP committee solutions meeting no fewer than 25 days after the needs meeting 2. TO post potential solutions, with any alternatives considered, no fewer than 10 days prior to the solutions meeting 3. TO to review and consider written comments received prior to or within 10 days after the solutions meeting. TO may respond

		<p>Owners or stakeholders, no fewer than 10 days in advance of the Solutions Meeting. (M-3, P4)</p> <ul style="list-style-type: none"> Stakeholders may provide comments on the potential solutions to the Transmission Owner for consideration either prior to or following the Solutions Meeting. (M-3, P4) 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. (M-3, P4) 	<ul style="list-style-type: none"> The TO shall review and consider comments that are received within 10 days of the meeting and shall respond or provide feedback in writing no later than 10 days after receipt of comments. No fewer than 10 days after the initial Solutions Meeting, any stakeholder shall share and PJM shall post alternative solutions to the TO potential solutions. No fewer than 20 days after the alternative solutions are posted, the Regional TEAC or subregional RTEP Committee shall schedule and facilitate the Alternative Solutions Meeting to review and discuss the TO's and stakeholders' alternative solutions. No fewer than 20 days after the Alternative Solutions Meeting, the Regional TEAC or subregional RTEP Committee shall schedule and facilitate the Final Solutions Meeting to review and discuss the TO's solution and for the TO to respond to questions. The TOs shall share and post their selected solution no fewer than 10 days before the Final Solutions Meeting. 	<p>or provide feedback as appropriate.</p> <p>4. At the conclusion of the process, the TO will identify the recommended solution that will be included in the PJM Local Plan. Project selection is determined solely by TO.</p> <p>5. Stakeholders and customers are given the opportunity to provide meaningful input and alternatives for TO consideration. Whether such input or alternatives are included in the determination of the final solution is and remains the sole decision of the TO.</p>
5. Inclusion in Local and Regional Plan			<ul style="list-style-type: none"> Only EOL solutions that include the following information will be brought forward for consideration: <ul style="list-style-type: none"> Asset specific EOL scoring data inputs, analysis, and final results Asset specific EOL priority ranking relative to entire system under study Asset specific EOL Quantifiable values pertaining to what is driving the selection of the facility Projects not meeting this minimum criteria can be brought forward under the TO's individual Attachment K 	<p>1. Stakeholders and customers are given the opportunity to provide meaningful input and alternatives for TO consideration. Whether such input or alternatives are included in the determination of the final solution is and remains the sole decision of the TO.</p>
6. Submission of EOL Projects		<ul style="list-style-type: none"> 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. (M-3, P5) Stakeholders may provide comments on 	<ul style="list-style-type: none"> Each TO will finalize for submittal to PJM EOL Projects that were introduced through the <u>Regional TEAC</u> or subregional RTEP committees from January through May for inclusion in the finalized PJM RTEP basecase for that planning year. The TOs shall provide a written response 10 days prior to the Local Plan being submitted for integration into the RTEP. Projects for the Local Plan will not be final "finalized" until the conclusion of Dispute Resolution (if applicable) 	<p>1. TO finalize and PJM post final EOL solutions</p> <p>2. Stakeholders may provide comments on final solutions</p> <p>3. TO shall review and consider written comments that are received at least 10 days before the schedule, as established by PJM,</p>

		<p>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. (M-3, P5)</p> <ul style="list-style-type: none"> 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. (M-3, P5) 		for including the EOL solutions in the Local Plan and RTEP
7. Information Relating to EOL Projects	<ul style="list-style-type: none"> - Formula rates, FERC filings posted to PJM.com - Tabular data, construction status, cost allocation and associated filings, post TO criteria, form 715, posted TEAC whitepapers, deactivation/retirement notices, secure posting of models, special webcasts, all queue information 	<ul style="list-style-type: none"> 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. (M-3, P6) 		<ol style="list-style-type: none"> PJM shall provide, or request from the zonal TO, planning information relevant to the specific identified EOL need. PJM shall obtain from the TO's and share with the stakeholders the system needs and drivers of those needs, based on the application of the respective TOs methodology and assumptions used to plan EOL projects, and any potential alternatives and other solutions the TO considered to meet those needs. For the purposes of information exchange, this data is taken within the context of each TO's methodology. TOs shall provide a description of the condition of the identified facility. PJM does not have a role in asset management determination for the identified facility.
8. CEII			<ul style="list-style-type: none"> For Stakeholders who have completed PJM's CEII Request form and have executed the PJM CEII NDA in accordance with the PJM and FERC processes for CEII as defined at 18 CFR §388.113 (c), PJM and the TOs shall make available the decision-making process and all information discussed above used in performing the needs identification and evaluation, including, but not limited to: i) all assumptions and methodology, including any criteria, guidelines, models, and supporting evidence that PJM and each TO uses to identify 	<ol style="list-style-type: none"> PJM emphasizes that CEII access is granted to an individual solely for the use in examining a specific need or proposed solution. The information is not to be disseminated further than to similarly authorized individuals and may not be utilized for any other purpose. TOs will review assumptions and

			<p>issues, develop alternatives and recommend solutions; ii) the impacts of regulatory actions, projected changes in load growth, demand response resources, energy efficiency programs, price responsive demand, generating additions and retirements, market efficiency and other trends in the industry; and (iii) alternative sensitivity studies, modeling assumptions and scenario analyses.</p> <ul style="list-style-type: none"> • TOs will communicate any concerns that proposed changes or alternatives may negatively impact TO risk profile and how. 	<p>methodology, including any criteria and system models, as described in the Attachment M-3 material, relevant to their asset management programs.</p> <p>3. PJM is not in a position to validate TO asset management program(s).</p> <p>Note: It is unclear to PJM why ownership is an issue. To date, ownership information has been provided. The transmission zone location is relevant to cost allocation; therefore, PJM proposes that the zone will be provided.</p> <p>4. Consistent with discussion of system needs in the Attachment M-3 material, each TO will provide drivers for need.</p>
<p>9. No Limitation on Additional Meetings and Communications</p>		<ul style="list-style-type: none"> • 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. (M-3, P7) 		