

FERC ANOPR

Building for the Future through Electric Regional Transmission Planning and Cost Allocation and Generator Interconnection (Docket No. RM21-17)

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Interconnection Policy Workshop
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- Interconnection Queue process reform is needed and is underway
- Education on participant funding and benefits over crediting policy within RTO.
 - Generators gain Capacity Interconnection Rights (CIRs) and other rights for funding upgrades.
- Cost Allocation – overview of the 6 options presented as part of these Interconnection Policy Workshops: <https://www.pjm.com/-/media/committees-groups/committees/pc/2021/20210722-workshop-3/20210722-item-03-interconnection-policy-reforms-overview-presentation.ashx>

- Long-term scenarios for regional planning, including modeling anticipated future generation (in-service/retirements) and projected load
 - FERC must: (1) provide clear guidance as to future actionable drivers for new transmission; and (2) provide PJM with authority to order new projects consistent with any new drivers
- Enhanced Interregional Planning
 - Transfer metric analysis
 - Potential economic transfer criteria

- Independent Transmission Monitor (ITM) to oversee cost allocation and planning process
 - Another federal body would add another unneeded layer of oversight
 - PJM already is an independent body; fuel and technology agnostic
 - If implemented, entity should be technically qualified in system planning
- PJM has a robust and transparent stakeholder process. FERC should require equal stakeholder participation and transparency processes in non-RTO regions before adding more requirements in RTO regions.

- Address inaccuracies / deficiencies
 - Existing PJM Planning Process is not ‘siloed’
 - PJM queue-based generation locations are not far from load centers; <100 miles
 - Merit/Risk of building transmission for generation not in Interconnection Queue (commercial probability statistics)
 - Reforms to address resilience are missing: e.g., CIP-14; extreme weather
 - Free-rider concept is not accurate:
 - first-in receives compensation from later generators for up to five years.
 - Both load and generation pay for and receive benefits from transmission upgrades in the form of headroom

- Question Response
 - Probabilistic Planning
 - Grid Enhancing Technologies
 - System Reliability
 - Stakeholder Process / State Coordination
 - Transition Plan



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