

Potential Questions for NOPR Discussion

Topic One---Overall Content and Approach of the NOPR

1. The NOPR focuses very heavily on the development of a long range scenario-based planning process. Specific proposed rules are set forth governing how scenarios are to be selected, what information is to be used in deriving scenarios, the minimum number of scenarios to be considered etc.
 - a. PJM welcomes stakeholder feedback on a threshold question as to whether, in the view of stakeholders, the NOPR's focus on developing rules around long range scenario-based planning will substantially assist in getting needed transmission identified and built. Is it your view that the large focus on scenario development through long range planning will substantially address some of the experienced bottlenecks in getting new transmission built? Why or why not?
 - b. The NOPR proposes that each Planning Authority include in its tariffs (NOPR at p. 78) the details of its scenario-based 20+ year planning process. In your view, is it appropriate that the details of scenario development be tariffed and litigated in the compliance process or should PJM recommend a different approach in how FERC oversees the development of long range planning processes?
 - c. Many have raised concern with inconsistencies as to the obligations of RTOs and transmission owners in RTOs as it relates to the planning process vs. obligations on transmission owners in non-RTO regions. Do you think the Commission has provided a balanced approach that will allow for consistency in implementation of the rule both in RTO and non-RTO areas? Should PJM make any recommendations on this point?

Topic Two---Long Range Scenario-Based Planning

2. The NOPR proposes a new process that would call for long term scenarios going out 20 years from the projected in service date of new projects (NOPR at p. 54). This would require the forward look to go beyond 20 years to over 25 to 28 years. In your view, does the value of such a forward look exceed its inherent uncertainty and speculation? (We would note that 25 years ago from today, PJM covered only five states and experienced significant east/west transfers within the region. LMP was just being implemented and non-wires solutions such as demand response and energy efficiency were not part of the PJM market.)
3. The NOPR indicates at p. 70 and in several other locations that it is not requiring any changes to the present Order 1000-based reliability and market efficiency planning and project development and does not require a specific obligation to order projects considered in the 20 year planning process. What should PJM recommend to the FERC to ensure that this process provides value added to the existing processes? What should PJM recommend to the FERC to ensure that reliability and market efficiency projects that are added to the plan but not specifically identified in the 20+ year planning process are not subject to challenge for not having been considered in the 20+year planning process?
4. The NOPR does not identify benefits of new transmission or a means to determine beneficiaries of new transmission. These issues have been left to the stakeholder process and, for purposes of cost allocation, to the states. Should PJM seek additional guidance from FERC in these areas? And specifically for cost allocation, should PJM note that it has a cost allocation for RTEPP projects that

was negotiated with states and stakeholders in a settlement process. In your view, should that cost allocation apply to this 20 year requirement? Should PJM seek clarity that settled cost allocations could be presented in the compliance process to address this new compliance requirement? Or, in your view, should PJM open up the cost allocations associated with the new 20+year scenario-based planning process and not attempt to utilize the existing settled cost allocation? Why or why not?

5. The NOPR at p. 96 requires that PJM identify, among other things, ‘local regulations’ that affect the future resource mix. How would PJM build in to its long term planning process responding to local regulations that some localities embrace but others do not? Should PJM comment on this compliance requirement?
6. The NOPR does not define resilience or specifically require planning for resilience other than inclusion of extreme weather events or events associated with potential cyber attacks in the 20+ year scenario-based planning (See NOPR at p. 112). Should PJM comment on this point and if so, how would you recommend that planning for resilience be integrated into the existing process beyond the steps PJM has taken to date?
7. The NOPR at p. 127-128 requires us to publish draft ‘geographic zones’ for consideration which requires PJM to, among other things, develop ‘a method to assess generation developers’ commercial interest in the potential geographic zone looking at letters of credit associated with generation that may develop in the zone, leasing agreements, merchant commitments etc. Do you believe that this information is readily available such that this should be a compliance obligation on PJM? Do you believe that PJM’s identification of geographic zones should be a mandatory part of the long-range scenario based planning process? The NOPR does not specify how such geographic zones are to be utilized. What should PJM say about this requirement?

Topic Three---Generator Interconnection

8. FERC argues in the NOPR at p. 137 that the primary reason for developers removing projects from the queue was ‘sticker shock’. The FERC argues at p. 140 that ‘planning these upgrades exclusively through the interconnection process may result in a mismatch between the beneficiaries of the transmission upgrades and those to whom the costs are allocated.’ Do you agree with this conclusion? What would you recommend PJM say in response?
9. FERC requires that we identify all interconnection upgrades that have been identified in at least two cycles in the preceding five years and identify whether there were specific upgrades that were not developed due to developer withdrawals of projects. NOPR at p. 142. Should PJM comment on the workability of this requirement? Should these upgrades be planned for in the instance where the developer withdrew the project that gave rise to this upgrade?

Topic Four---ROFR and the Joint Ownership Agreements

10. At p. 289 FERC proposes that PJM review the joint ownership agreements that form the basis for a federal ROFR. They propose at p. 292 that PJM determine whether the agreement reflects ‘meaningful level of participation and investment in proposed facilities’. Do you believe this is an appropriate role for PJM? Should PJM comment on this newly assigned role proposed by FERC?

Topic Five---Local Planning

11. FERC appears to require TOs to publicly propose a 10 year look of their in kind replacement projects of 230kV and above to make these a candidate for ‘right-sizing’. Do the TOs believe they have this information and are there any objections to providing it?