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# PJM Long Term Transmission Planning Workshop

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# Who is Exelon?

We operate across seven regulatory jurisdictions, all within the PJM footprint

Including Chicago, Philadelphia, Baltimore, D.C.

**18,000+**

Employees across our operating companies

**10+ million**

Electric and gas customers served across our service territories

**25,600**

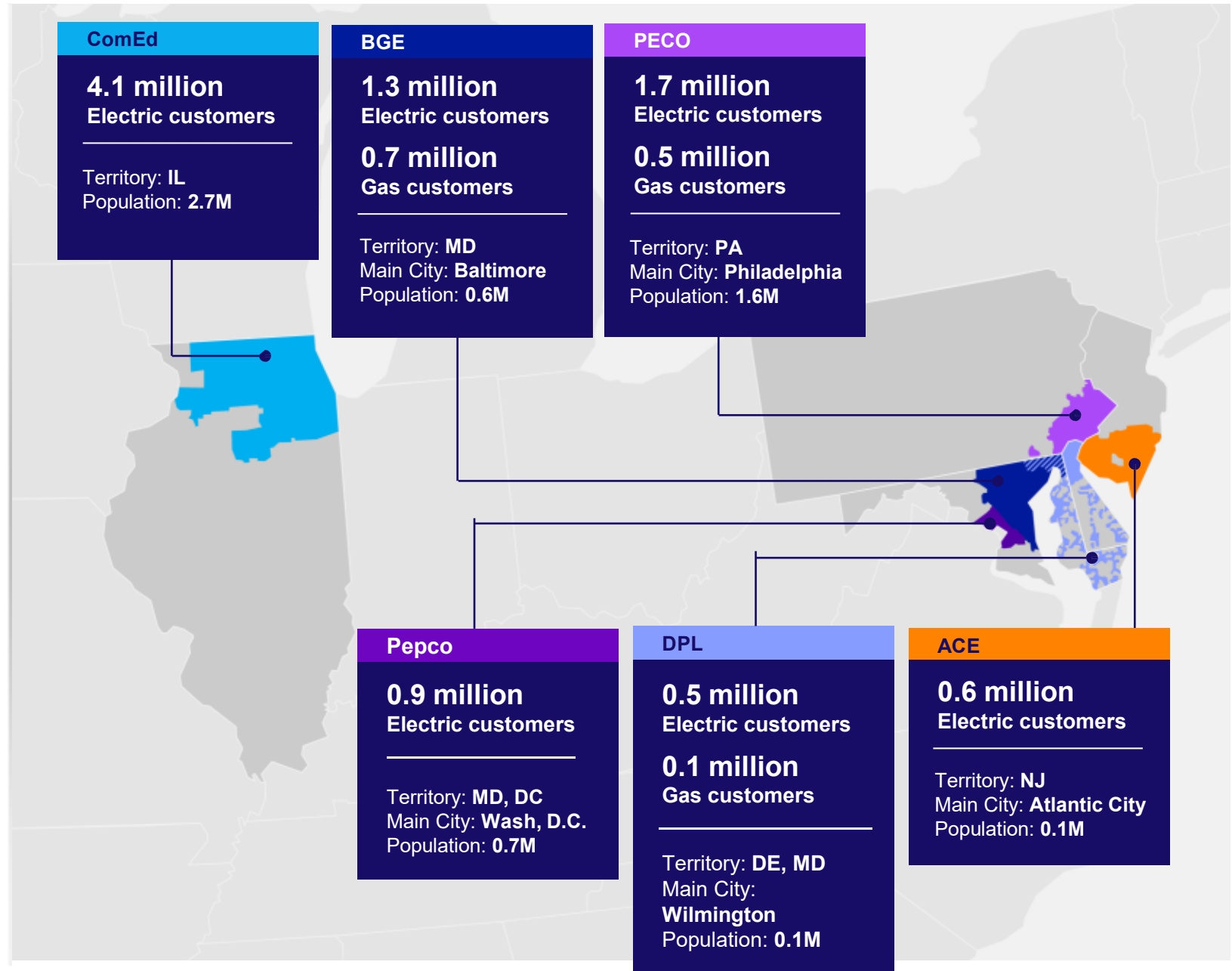
Square miles of combined service territory across our jurisdictions

**181,750**

Circuit miles of electric and gas distribution lines

**11,160**

Circuit miles of FERC-regulated electric transmission lines



# Note

**Comments and positions are preliminary and may change as we continue analysis and internal discussions**

# Long Term Transmission Planning NOPR

- Long Range Scenario-Based Planning
  - Supportive of proactive scenario-based planning resulting in actionable, least regrets transmission projects
  - Process must lead to actionable decisions and projects as opposed to perpetual studies and transmission planning loops which are inverse outcomes to what the NOPR is trying to achieve.
  - Guidelines on scenarios and inputs need to be decided in advance, and not in parallel with project selection
  - Actionable timelines should focus on shorter timelines (e.g., 15 years or less) and be informed by longer term scenarios
- Overlap with existing processes
  - Existing processes focused on Local Planning, Reliability, and Market Efficiency are generally working well and should not be disrupted
  - Long Term Planning would ideally be a periodic addition to existing processes
    - One Option: Performed at RTO discretion, but not less than ~7-10 years

# Inputs, Scenarios, and Processes

- All Longer Term Inputs are not the same
  - More concrete inputs such as legislative retirement mandates should feed directly into needs and project selection
  - Aspirational goals or uncertain forecasts might feed into scenarios to either inform decision making, or be actionable if in multiple scenarios
- Process
  - We support broad guidelines that can apply equally across the country
  - The NOPR may widen the gap on the requirements of transmission owners in an RTO versus a non-RTO.
- Geographic Zones
  - PJM studies have evaluated the need for geographic renewable zones and did not identify a need
    - Could be restudied as the system changes

# Benefits, Cost Allocation, and GETs

- Benefits and Cost Allocation
  - Several cost allocation methodologies are well established processes in PJM
    - While the timeframes may be extended, many of the existing processes can be leveraged for the longer term projects
    - For those that aren't covered, the transmission owners will work with the appropriate parties in developing the new methodologies
  - We support further analysis of resilience as a driver and benefit
    - Important to focus on confidentiality when working on critical infrastructure with transmission owners
  - Likely most successful with multiple benefit streams: Reliability, Market Efficiency, Resiliency, Public Policy
  - Support consideration of project portfolios with state agreement
- Grid Enhancing Technologies (GETs)
  - Exelon is and has been supportive of GETs and has utilized several advanced technologies
  - Concerned about a prescriptive process slowing down evaluation or deployment
  - Need to consider resiliency, limitations, indirect costs, and other factors

# The Queue, ROFR, and Right Sizing

- Interconnection Upgrades
  - Upgrades identified in multiple cycles, but not pursued because developers withdraw their requests, might indicate a need for analysis, and potentially a decision to build a solution
  - Important to maintain locational price signals to drive efficient siting decisions and avoid undue cost shift to customers
- ROFR and Joint Ownership Agreements
  - Agree there may be potential benefits to joint ownership
  - Prefer clarity on “meaningful” in advance, rather than case-by-case determinations
  - Support FERC’s direction, but as a requirement
- Right Sizing
  - Evaluation of EOL needs for right-sizing transmission by utilizing a 5-year forecast has benefits, but should be kept confidential and only shared with PJM



# Thank you

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