



FERC Interconnection NOPR

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Interconnection Projects

On June 16, 2022, FERC issued a Notice of Propose Rulemaking (NOPR)

- NOPR Title: Improvements to Generator Interconnection Procedures and Agreements
- FERC proposes to reform its pro forma LGIP, SGIP, LGIA and SGIA to address backlogs, improve certainty and prevent discrimination to new technologies
 - Ensure the gen interconnection process is just and reasonable
- PJM is currently reviewing and preparing response comments

A.

Reforms To Implement a **First-Ready, First-Served Cluster** Study Process

B.

Reforms To **Increase the Speed** of Interconnection Queue Processing

C.

Reforms To Incorporate **Technological Advancements** Into the Interconnection Process

A. Implement a First-Ready, First-Served Cluster Study Process

1. Interconnection Information Access

- FERC is proposing to implement an “Optional Informational Interconnection Study,” similar to the scope of a feasibility study but without entering the queue
- FERC is also proposing PJM publically post POI and available interconnection capacity information

2. Cluster Study

- Eliminate serial first-come, first-served
- Replace it with first-ready, first-served cluster studies

3. Allocation of Cluster Study Costs

- Propose that 90% of cluster study costs be on a pro rata basis based on requested MWs
- 10% of study costs per capita basis based on number of requests in cluster

4. Allocation of Cluster Network Upgrade Costs

Require transmission providers to allocate network upgrade costs to interconnection customers within a cluster using a proportional impact method

A. Implement a First-Ready, First-Served Cluster Study Process

5. Shared Network Upgrades

- If project connects to a network upgrade or substation in service less than 5 years, then upgrade is designated as shared and later cluster projects contribute pro rata portion based on impact

- If project benefits from previous network upgrade based on 2-step test, then later cluster projects contribute pro rata share of costs

6. Increased Financial Commitments and Readiness Requirements

- Increase study deposits collected prior to each cluster study (cluster study, cluster re-study, facilities study)
- Require 100% site control at initial application or provide deposit in lieu (\$500k to \$2 M range)

- Demonstrate Commercial Readiness at each phase or provide deposit in lieu (2 to 7 times deposit range)
- Withdrawal penalties that increase as project progresses

7. Transition Process

Offer option to enter transitional serial interconnection facilities study or transitional cluster study with readiness requirements

1. Elimination of the Reasonable Efforts Standard

Impose firm study deadlines and establish penalties

2. Affected Systems

- Include affected systems study process
- Notification to Affected System Operator, hold meetings
- Establish a pro forma affected system study agreement

3. Optional Resource Solicitation Study

Require transmission provider to establish an optional resource solicitation study



C. Incorporate Technological Advancements Into the Interconnection Process

1. Increasing Flexibility in the Generator Interconnection Process

- Require transmission providers to allow more than one resource to co-locate on a shared site behind a single POI and share a single interconnection request
- Revisions to material modification to require minimum set of reviews before determination
- Allow surplus connections once previous project has signed ISA (before required project in-service)
- Propose to change operating assumptions used for electric storage resources

2. Incorporating Alternative Transmission Technologies

Allow customer to request certain alternative technologies instead of other reinforcements

3. Modeling and Performance Requirements for Non-Synchronous Generating Facilities

- Require non-synchronous facilities to provide accurate and validated models
- Enhance “ride-through” requirements for non-synchronous resources



Questions? Contact

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