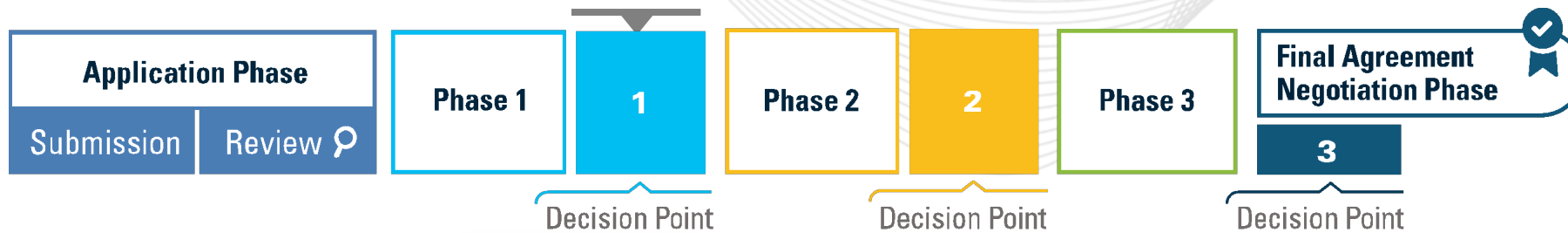




Decision Point I Requirements and Off-Ramp to Final Agreement

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- During Phase I, and at least 30 days prior to initiating Decision Point I of the Cycle, PJM will notify Project Developer:
 - With an estimated start date for Decision Point I
 - If the project meets the acceleration criteria*
- Decision Point I starts right after the conclusion of Phase I and closes 30 calendar days later
- Before the close of Decision Point I, Project Developer can choose to stay in the cycle by providing and meeting DP#1 requirements. Those that do not meet the requirements or elect to withdrawn will have their New Service Request terminated and withdrawn
- At Decision Point I, Projects that meet the acceleration criteria and off ramp requirements will proceed to Final Agreement Negotiation Phase
- At Decision Point I, Project Developers can make certain modifications to their Projects

Note*: PJM is finalizing the timing for notifying potential accelerated projects prior to the beginning Decision Point I

Decision Point I – Non-Accelerated Projects

SUBMITTALS REQUIRED

• Readiness Deposit No. 2

- 10% of cost allocation for required Network Upgrade from Phase I study results minus RD#1

Note: Network Upgrade includes reliability driven network upgrades plus Physical Interconnection i.e. Stand Alone Network Upgrade, and remote end work(Transmission Owner Interconnection Facilities are not part of the Readiness Deposit calculation)

- Readiness Deposit No. 2 must be provided through a letter of credit or a wire transfer
- Draft letter of credit must be received for review by PJM at least 10 Business Days prior to closing of Decision Point I
- LoC and wire must specify the corresponding reference number or PJM will not review or process the application. For TC1, it is the Project Identifier (Queue) number

• Site Control

- Site Control evidence for an additional **one-year term** beginning from last day of the relevant Cycle, Phase I.
 - 100% Site Control evidence for Generating Facility, including the location of the high side voltage of the main power transformer (s)
 - 50% Site Control evidence for Interconnection Facilities to the Point of Interconnection
 - 50% Site Control evidence for Interconnection Switchyard Facilities (if applicable)
- Site Control evidence for Generating Facility must be identical to what was submitted at the readiness window
- Site Control review spreadsheet to ensure Site Control submissions are complete

• Transmission

Interconnection Requests

- Valid corresponding interconnection request with the adjacent control areas
- Maintain such interconnection request with adjacent control area throughout the PJM interconnection process

• Permitting

- Air and water, if applicable

• State Level (non-FERC jurisdictional)*

- Evidence of participation in state interconnection process with appropriate entity

• Data Submissions for Phase II

MFO/CIR

Projects may reduce MFO and/or CIR values, up to 100%

POI

1. POI can only be moved along the same segment of transmission line, as defined by the two electrical nodes located on the line as modeled in base case
2. POI can be moved to a different breaker position within the same substation, subject to TO's approval

NOTE: POI changes along the same line will require updated site plan, Site Control for additional land if POI is outside the boundaries of previous Site Control, evidence of easement between non-contiguous parcels and the Site Control evidence and Site Plan must meet all Decision Point 1 requirements

Fuel Changes

No modification permitted, except for projects that involve multiple fuel types; removal of fuel type through these reduction rules will not constitute a fuel type change

Generating Facility or Merchant Facility Site Changes

1. Project satisfied the Site Control requirements for both initial site proposed and the newly proposed site
2. Initial and the proposed new site are adjacent parcels

Note: If added site is not physically adjacent, Tariff requirement of the “proposed site are adjacent parcels” can be met via showing 100% of the easement between the parcels

Equipment Changes

Modification to interconnection request for updated equipment data is permitted. Project shall submit machine modeling data as per PJM Manuals and Dynamic Modeling Guidelines

SUBMITTAL REQUIRED

• Non-FERC Jurisdictional Projects

- Evidence of a fully executed IA with the applicable entity

Note: Non-FERC jurisdictional projects that do not have fully executed IA will remain in the cycle

• Written Notification To Proceed to a Final Agreement

• Agreement and Permits*

- Fuel and water agreement (if necessary) and control ROW for the interconnections
- Local, county and state
- Signed MOU

• Transmission Interconnection Requests

- Submitted and maintained a valid interconnection request with adjacent control areas

Site Control*

FERC Jurisdictional Projects/Non-FERC Jurisdictional Projects With Fully Executed IA	Non-FERC Jurisdictional Projects That Have Not Secured a Fully Executed IA
Must Provide These Elements Before Closing Of	
Decision Point I	Decision Point III
SECURITY CALCULATED BASED UPON:	
Network Upgrade cost allocated pursuant to Phase I SIS results	Network Upgrade cost allocated pursuant to the relevant Phase, Phase I SIS results
SITE CONTROL*	
100% site control for Generating Facility, Interconnection Facilities and Interconnection Switchyard	100% Site Control for Generating Facility, Interconnection Facilities and Interconnection Switchyard
TERM	
One-year term from the last day of Phase I	Begins from the last day of the relevant Phase, Phase I and extends through full execution of an IA + one-year beyond the full execution of an IA

Only requests that have no cost allocation for Network Upgrades and do not require further studies are eligible for acceleration

Note*: Exceptions for Site Control and Permits/Agreements

- 180-day condition in the interconnection-related service agreement, if all Site Control requirements are not met
- If fuel and water agreements, MOU, and permits requirements are not met, they can be addressed through a milestone in the applicable interconnection-related service agreement

DEFICIENCY REVIEW PHASE

- PJM will exercise Reasonable Efforts to inform Project Developer or Eligible Customer of deficiencies within **10 Business Days** after the close of Decision Point I
- Project Developer or Eligible Customer then has **five Business Days** to respond to PJM's deficiency determination
- PJM then will exercise Reasonable Efforts to review Project Developer's or Eligible Customer's response within **10 Business Days**, and then will either terminate and withdraw the New Service Request, or include the New Service Request in Phase II, or proceed to a final interconnection-related agreement for accelerated projects that meet the criteria
- PJM's review of the above required elements may run co-extensively with Phase II

Begins after all elements have been submitted for accelerated and non-accelerated projects

PROJECT WITHDRAWAL

- Projects get withdrawn from the Cycle
- PJM initiates the process to refund Readiness and Study Deposits as discussed below

READINESS AND STUDY DEPOSIT REFUND

- Readiness Deposit No. 1 is not at risk prior to the close to Decision Point I, and 100% at risk after close of Decision Point I (TC1 projects only)
- Readiness Deposit No. 2 is 100 % at risk after close of Decision Point II
- At the conclusion of Decision Point I, 90% of the Study Deposit will be refunded, less any actual costs

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