

Interconnection Process Reform Site Control

Motion for Non-standard Site Clarifications

Sponsored by: Dominion Energy, PSEG & Ørsted

Annual PJM Members Committee – May 17, 2022

Background

- Presented to stakeholders at the March 23rd MRC and April 12th PC.
- Clarifications were posted, but not voted on, at the April 27th MRC and MC meetings [for procedural reasons].
- Expressed Support from
 - Stakeholders across the sectors
 - State and federal regulators
 - PJM Staff
- Sponsors are bringing motion forward at today's MC to allow stakeholders the opportunity to vote on the merits of the clarifications.
- The motion is to adopt the Dominion Energy –PSEG- Ørsted clarifications to the PJM reforms that were approved by the MRC and MC on April 27th.

Clarifications to PJM's Tariff Language Makes Technical Correction to Recognize Grid of the Future Realities Associated with Non-Standard Sites

- Surgical refinement to recognize that 21st century interconnection of transmission and generation will be different in certain respects from 20th century interconnection
- Specifically address property rights obtained from governmental entities, both onshore and offshore, which may take different form than those offered by private landowners, e.g. licenses, special use authorizations.
- Targets recognition of “submerged land” and “bodies of water” in the definition of “site”.

Why is this technical correction important?

- Accounts for non-standard sites, recognizing the grid of the future realities being driven by federal and state public policy.
- Obtaining required submerged land and bodies of water property rights from state and federal governmental entities can take upwards of two years after execution of a lease giving rights to the land, body of water or submerged land for permitting, submission and approval of construction plans, etc.
- What qualifies as site control at each phase needs to take this new reality into consideration and is a relatively easy technical correction
- Clarification is needed regarding why rights of way are only acceptable up to the point of interconnection
 - ❑ Easement is included in the definition of site
 - ❑ ROW almost always obtained via easement
 - ❑ For offshore wind, may need additional interconnection facilities beyond the POI

Benefits of Dominion Energy- PSEG – Ørsted Tariff clarifications.

- Makes clear in the Tariff that the definition of site specifically includes “property” and property rights in bodies of water and submerged land
- Clarifies that leases, licenses, permits and easements received from state and/or federal authorities associated with bodies of water and submerged land are acceptable forms of property rights that are deemed evidence of site control
- Clarifies that the exclusivity of the property rights are only needed to the extent that there is no interference with the developer’s property rights
 - ❑ to address the fact that licenses granted by governmental entities and others at times allow for other entities to use the same easement or right of way to lay cable, for example, so long as it doesn’t interfere with another entity’s (governmental or otherwise) use of the same
- Takes a good set of queue reform tariff revisions and makes it even better with necessary surgical revisions that remedy an identified problem now so as to avoid an issue later.