



September 24, 2024

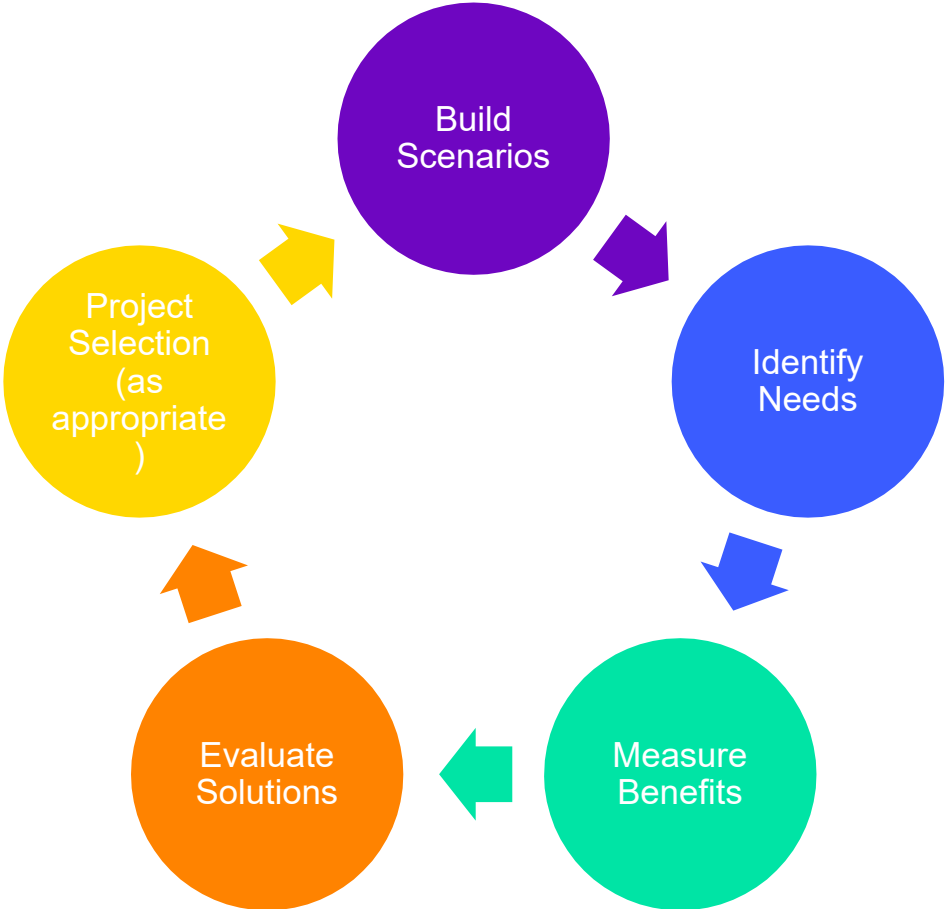
FERC Order 1920 Compliance Considerations for PJM


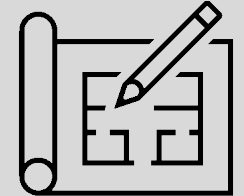
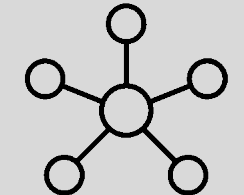
Exelon | PJM TEAC Session

FERC Order 1920 Planning Processes

- Drivers such as public policy, load growth, and new technologies combined with emerging risks such as extreme weather, physical and cyber security threats, and reduced reserve margins contribute to increased uncertainties in the long-term transmission planning horizon.
- The forward-looking scenario-based requirements in FERC Order 1920 are intended to address planning for a range of plausible and diverse scenarios to develop reliable solutions amid these uncertain futures.
- As PJM develops its FERC Order 1920 compliance framework, careful attention should be given to the aspects of the planning process that are fundamental to a successful transmission expansion plan.

Long-Term Planning Process Opportunities



-  **Collaboration throughout the planning processes with relevant parties**
-  **Clearly defined, efficient planning processes**
-  **Coordination between near-term and long-term planning processes**

Planning Process Opportunities: Collaboration

Collaboration throughout the planning process is critical for relevant parties

FERC Order 1920 transmission planning processes should accommodate multiple collaboration points to ensure that:

- Scenarios are plausible, diverse, and holistic in nature, capturing future trends in generation and load
- Planning models appropriately reflect the scenarios selected
- Needs are properly identified from the analysis
- Suitable reliable and cost-effective solutions are identified and optimized to address the needs
 - Identify right-sizing opportunities, appropriate application of advanced transmission technologies, etc.
 - Understand risks to projects, construction time/long lead items, etc.

Planning Process Opportunities: Clearly-Defined, Efficient Process

Clearly-defined, efficient processes are necessary to ensure successful planning outcomes

Planning processes should clearly define scenarios, criteria used to determine needs, and criteria used for calculation of benefits and project selection

Sufficient time should be afforded to both the development of the scenarios and the determination of the needs and resulting projects

- Long-term planning needs and resulting projects may be more complex warranting increased solution development time to derive the appropriate “least-regrets” reliable solutions

Explore opportunities to streamline related planning analyses

Planning Process Opportunities: Near-Term/Long-Term Coordination

Long-term planning processes should be highly coordinated with near-term planning processes

Near-term needs and resulting solutions continue to evolve and will need to be addressed

Long-term processes and any project determinations should be compatible with near-term solutions

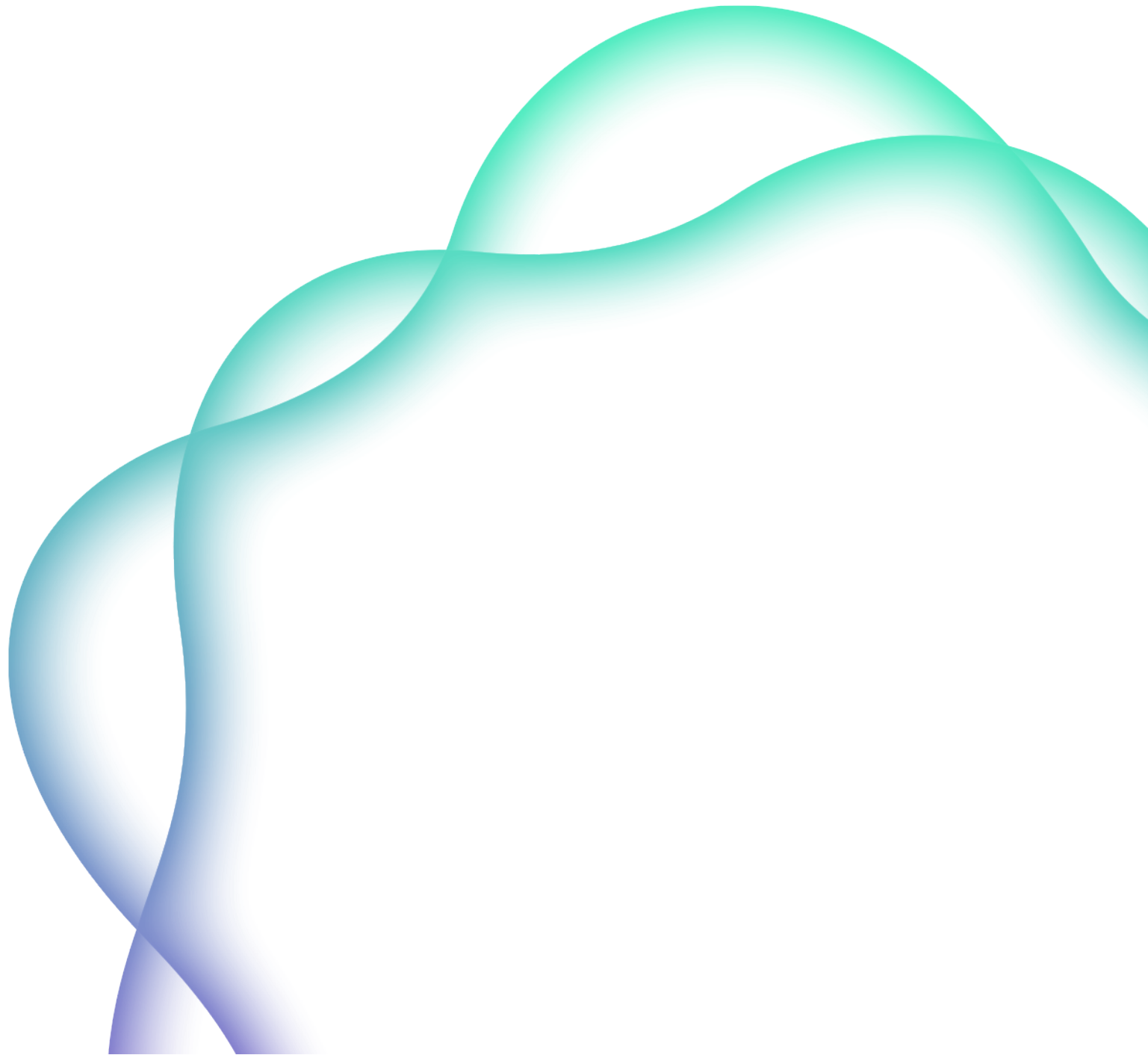
Account for the evolution of near-term needs in long-term planning project selection and evaluation criteria

Questions





Thank you





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